

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Retail Access Optimization Initiative, 2011

Docket No. N2011-1

DESIGNATION OF WRITTEN CROSS-EXAMINATION
OF UNITED STATES POSTAL SERVICE
WITNESS JAMES J. BOLDT
(USPS-T-1)

Party

Interrogatories

Postal Regulatory Commission

PR/USPS-T1-13c
VP/USPS-T1-4-6, 8, 11, 12

Response of United States Postal Service Witness
Boldt to a Question Posed by Chairman Goldway
During Cross-Examination on September 8, 2011
(Tr. Vol. 1, Page 595, Line 18)

Response of United States Postal Service Witness
Boldt to a Question Posed by Commissioner
Hammond During Cross-Examination on
September 8, 2011 (Tr. Vol. 1, Page 557, Line 16)

Response of United States Postal Service Witness
Boldt to a Question Posed by Vice-Chairman
Acton During Cross-Examination on September 8,
2011 (Tr. Vol. 1, Page 403, Line 12)

PRC/USPS-POIR No. 3 – Q. 8
PRC/USPS-POIR No. 1 – Q. 14

Valpak Direct Marketing Systems,
Inc. and Valpak Dealers' Association
Inc.

VP/USPS-T1- 4-6, 8, 11, 12

Respectfully submitted,


Shoshana Grove
Secretary

INTERROGATORY RESPONSES OF
UNITED STATES POSTAL SERVICE
WITNESS JAMES J. BOLDT (T-1)
DESIGNATED AS WRITTEN CROSS-EXAMINATION

<u>Interrogatory</u>	<u>Designating Parties</u>
PR/USPS-T1-13c	PRC
VP/USPS-T1-4	PRC, Valpak
VP/USPS-T1-5	PRC, Valpak
VP/USPS-T1-6	PRC, Valpak
VP/USPS-T1-8	PRC, Valpak
VP/USPS-T1-11	PRC, Valpak
VP/USPS-T1-12	PRC, Valpak
Response of United States Postal Service Witness Boldt to a Question Posed by Chairman Goldway During Cross-Examination on September 8, 2011 (Tr. Vol. 1, Page 595, Line 18)	PRC
Response of United States Postal Service Witness Boldt to a Question Posed by Commissioner Hammond During Cross-Examination on September 8, 2011 (Tr. Vol. 1, Page 557, Line 16)	PRC
Response of United States Postal Service Witness Boldt to a Question Posed by Vice-Chairman Acton During Cross-Examination on September 8, 2011 (Tr. Vol. 1, Page 403, Line 12)	PRC
PRC/USPS-POIR No. 3 – Q. 8	PRC
PRC/USPS-POIR No. 1 – Q. 14	PRC

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT TO
INTERROGAOTRY OF THE PUBLIC REPRESENTATIVE**

Revised: September 23, 2011

PR/USPS-T1-13

Please provide a version of USPS-LR-1 that, for each postal retail facility under consideration for discontinuance, identifies:

- a. If the facility is co-located with a BMEU
- b. If the facility is co -located with a city carrier delivery unit
- c. If the facility is co -located with a rural carrier delivery unit
- d. If the facility is co -located with a mail processing facility
- e. If the facility currently provides any mailers with exceptional dispatch service
- f. How many Post Office boxes are currently:
 1. Located at the facility
 2. Rented at the facility

RESPONSE

(c) See USPS Library References N2011-1/NP14 or N2011-1/21.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO VALPAK INTERROGATORY OF**

VP/USPS-T1-4.

Please refer to USPS-T-1, pp. 15-16, where you state that "the Postal Service established a two-hour earned workload minimum, which is the number of hours per day that the lowest EAS grade Post Offices are open for retail business."

- a. During FY 2010, what was the **average annual revenue** and **maximum annual revenue** earned by an office with such a two-hour earned workload minimum?
- b. Please provide the Postal Service's best estimate of the **average annual cost** to operate an office with such a two-hour earned workload minimum?
[Emphases in original from Val Pak.]

RESPONSE:

See the response to VP/USPS-T1-12(a).

- (a) Average annual retail revenue: \$21,476.
Maximum annual retail revenue: \$367,688.
- (b) Average total operating expense: \$76,902.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO INTERRGATORY OF VALPAK**

VP/USPS-T1-5.

Your testimony at p. 13, ll. 18-20, states:

It should be emphasized that postal management is not pursuing the RAO Initiative in order to achieve any predetermined operating cost savings target in the postal retail network.

In light of your discussion about the Postal Service's financial condition discussed at p. 13, ll. 7-9 and trends (e.g., increased use of alternative access for retail postal transactions) discussed at pp. 3-6, please explain why the Postal Service is not seeking a far higher reduction (e.g., \$1 billion) in the cost of retail at this time.

RESPONSE:

- a. That discussion only acknowledges the financial environment in which the RAO Initiative happens to be pursued. Retail optimization is an ongoing obligation irrespective of the financial state of the Postal Service at any given time. The RAO Initiative is not being pursued to achieve some financial savings target. It is, nevertheless, expected to result in some cost savings.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO INTERRGATORY OF VALPAK**

VP/USPS-T1-6.

Please refer to USPS-T-1, p. 15, ll. 1-4, where you discuss 2,800 low workload offices.

- a. If the Postal Service maintains data indicating the total number of square feet of lobby space available to customers at each of these 2,800 offices, in how many facilities have lobby space available to customers of 100 square feet or less?
- b. For those facilities with very small lobby spaces, could the post office lobby realistically be considered a community meeting space?
- c. For those facilities which are open for only two hours per day, could be the post office lobby realistically be a community meeting space?

RESPONSE:

- a-c. The generally small size of lobbies and dearth of operating hours would make the conduct of a community meeting quite difficult.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO INTERROGATORY OF VALPAK**

VP/USPS-T1-8.

The Postal Service has a number of mobile retail vans, staffed by qualified Postal Service employees, capable of providing a number of retail services, including authoritative advice about mailing requirements and regulations. See, for instance, Docket No. N2009-1, Initial Brief of Valpak Direct Marketing Systems, Inc. and Valpak Dealers' Association, Inc, pp. 22-24, and references therein. Currently, use of these mobile vans appears to be chiefly in urban areas. When considering alternate access as part of its RAO Initiative, please discuss the extent to which the Postal Service considered replacing brick-and-mortar facilities with a mobile retail van in rural areas to serve a number of small communities on a regular basis, e.g., two hours a day on a schedule ranging from two-days-a-week to five-days-a-week.

RESPONSE:

- a. The Postal Service does not regard that as a viable option.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO INTERRGATORY OF VALPAK**

VP/USPS-T1-11.

Your testimony, USPS-T-1, at p. 9, ll. 3-4, refers to "the 2006 Congressional mandate to expand and market a variety of alternate retail access channels." Please confirm you are referring to the note to codified 39 U.S.C. section 3691.

RESPONSE:

a. Confirmed.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO VALPAK INTERROGATORY OF**

VP/USPS-T1-12.

Please refer to USPS-T-1, pp. 15-16, where you state that "the Postal Service established a two-hour earned workload minimum, which is the number of hours per day that the lowest EAS grade Post Offices are open for retail business."

- a. During FY 2010, what was the total number of Postal Service **offices** with a two-hour earned workload minimum?
- b. During FY 2010, what was the total number of Postal Service **employees** assigned to those offices with a two-hour earned workload minimum?
- c. During FY 2010, how many, or what percentage, of those employees assigned to offices with a two-hour earned workload minimum were full-time employees, and how many, or what percentage, worked less than full time?
- d. If your answer to preceding part b is that some retail facilities open only two hours per day had full-time employees, please provide a brief explanation of what those employees do during the other hours of the day when the office is not open for retail business.

RESPONSE:

- (a) 4823. Bear in mind that the RAO Initiative focuses on approximately 2800 of those post offices that meet certain revenue thresholds.
- (b) 8909.
- (c) 32 percent and 68 percent, respectively.
- (d) (a) 4823. Bear in mind that the RAO Initiative focuses on approximately only 2800 of those post offices that meet certain revenue thresholds.
- (b) 8909.
- (c) 32 percent and 68 percent, respectively.
- (d) The question appears to confuse two hours of earned workload at a given location with two hours of retail service being made available to the public at that location. No employees in offices open only two hours per day worked more than two hours per day at those offices. If the question is seeking to determine whether there are some Postmasters at these low

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO VALPAK INTERROGATORY OF**

RESPONSE to VP/USPS-T1-12 (continued):

earned workload offices who are employed for more hours per day than is supported by the retail hours and administrative workload associated with such offices, the answer is affirmative.

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO QUESTION POSED DURING ORAL CROSS-EXAMINATION**

Tr. Vol. 1, Page 595, Line 18:

CHAIRMAN GOLDWAY: Please provide a sample copy of the customer questionnaire utilized in the discontinuance review process.

RESPONSE

A sample copy of the questionnaire starting point is attached to this response. In questioning from the bench, I may have left the misimpression that the questionnaire expressly solicits personal/demographic information (such as age or physical disability) from respondents. We have found that some customers react poorly to such direct questions. But we have found that the questionnaire often elicits such information, as do the community meetings and written comments submitted by potentially affected customers.



Postal Service Customer Questionnaire

Your responses to the following questions are important to the US Postal Service and will be considered in the feasibility study for the Acampo Post Office. Please take a few minutes to complete this survey and return it no later than 08/03/2011 in the postage-paid envelope provided.

The study consists of a publicly available record, so please be advised that any information that you furnish will be visible to others.

1. Did you visit the Acampo Post Office for personal reasons, business-related reasons, or both?

- ☐ Personal reasons ☐ Business-related reasons ☐ Both

2. Please check the appropriate box to indicate whether you used the Acampo Post Office for each of the following:

Postal Services	Daily	Weekly	Monthly	Never
a. Buying Stamps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Mailing Letters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Mailing Parcels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Pick up Post Office box mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Pick up general delivery mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Buying money orders	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Obtaining special services, including Certified Mail, Registered Mail, Insured Mail, Delivery Confirmation, or Signature Confirmation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Sending Express Mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Sending Priority Mail	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Carrier pickup	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Buying stamp-collecting material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Entering permit or bulk mailings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. Obtaining other federal agency forms (e.g., Selective Service, Duck Stamps, Passport Applications)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
n. School bus stop	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
o. Assisting senior citizens, persons with disabilities, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
p. Public bulletin board	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
q. Community gathering place	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
r. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Did you ever use any of the following alternative methods to conduct business with the Postal Service?

Post Office in vicinity of where you work or shop

☐ YES

☐ NO

usps.com website

☐ YES

☐ NO

Stamps by Mail

☐ YES

☐ NO

Stamps by Phone

☐ YES

☐ NO

Stamps Online

☐ YES

☐ NO

Click-N-Ship

☐ YES

☐ NO

Buy stamps or mail packages at grocery or other retail store

☐ YES

☐ NO

4. Do you currently use local businesses in the community?

☐ Yes ☐ No

5. If you answered "yes" in Question 4, would you continue to use these businesses if the Acampo Post Office is discontinued?

☐ Yes ☐ No

6. Do you currently use businesses in nearby communities?

☐ Yes ☐ No

7. Do you have a means of transportation available to get to another Post Office in the vicinity?

☐ Yes ☐ No

8. How do you currently receive your mail?

☐ Carrier ☐ PO Box ☐ Other

Additional Comments:

Name: _____

Address: _____

City, State Zip: _____

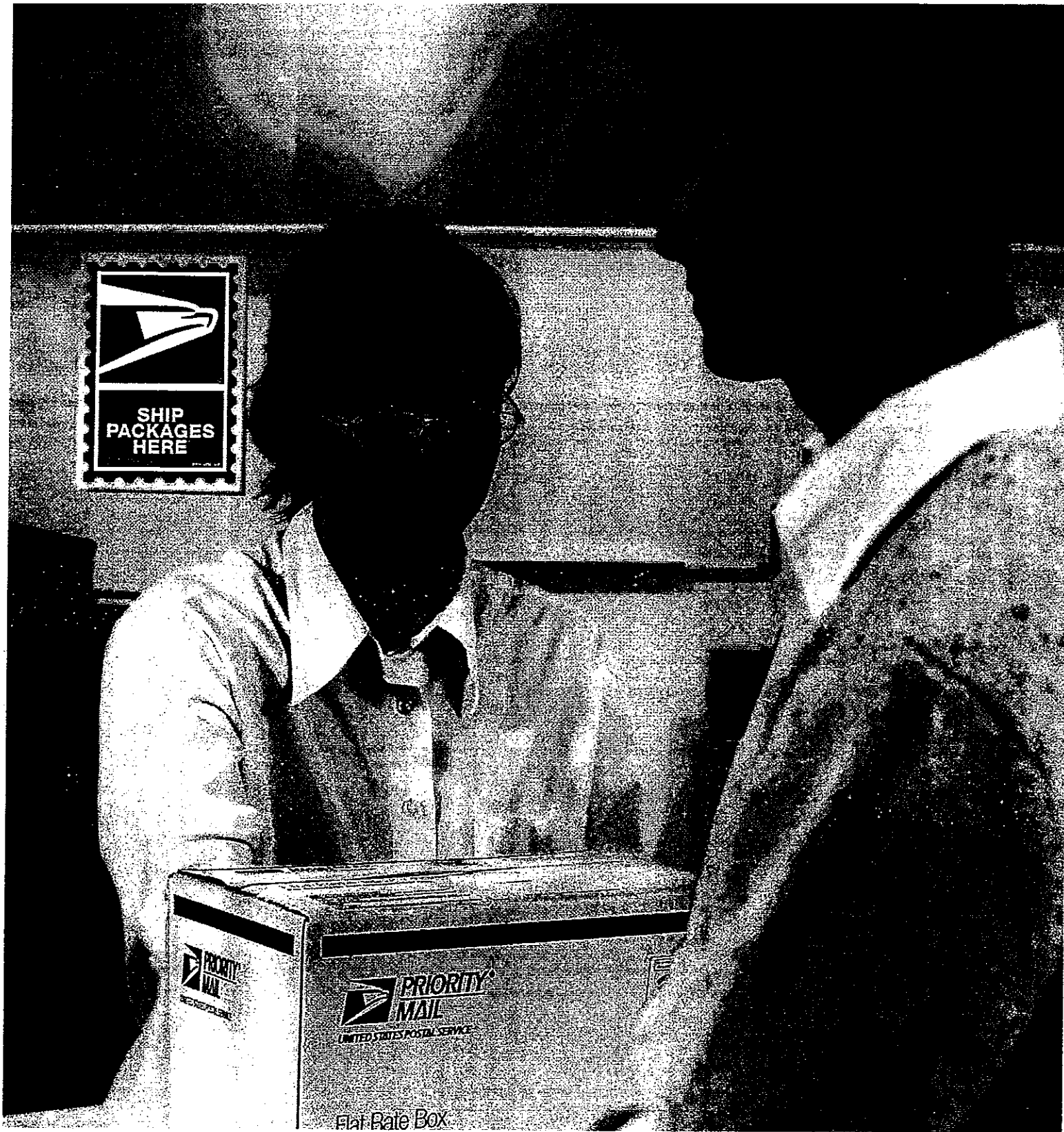
**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO QUESTION POSED DURING ORAL CROSS-EXAMINATION**

Tr. Vol. 1, Page 557, Line 16:

COMMISSIONER HAMMOND: What kind of postal training would an approved shipper receive?

RESPONSE

A copy of the USPS product guide provided to Approved Shippers as a training tool and for use in their operations is attached to this response. The guide is supplemented by digital video training materials that will be filed in USPS Library Reference N2011-1/16.



Product Guide

August 2009

Attachment to response to Question
at Tr. Vol. 1, page 557, line 16



Product Guide

August 2009

Introduction

The purpose of this document is to provide a ready reference guide to USPS® Approved Shippers, who can use this material for assistance when offering Postal Service™ products and services. Up-to-date and detailed information regarding Postal Service products and services presented in this guide are available at www.usps.com.

This document is a guide to Postal Service products and services and does not replace information in *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) or the *International Mail Manual* (IMM). The most recent editions of the DMM and the IMM are available online at <http://pe.usps.com>. If there are any differences between this guide and the DMM and/or IMM, the DMM and/or IMM take precedent.

This guide also includes sections on aviation mail security/hazardous materials requirements, collections, security, signage, and online resources.

Contact Information

In the spaces below, fill in the information for your local postmaster or station manager, who is your contact for USPS Approved Shipper questions.

Name: _____

Address: _____

Phone: _____

Trademark Information

The following are among the many trademarks owned by the United States Postal Service: United States Postal Service®; U.S. Postal Service®; USPS®; USPS.com®; First-Class Mail®; Express Mail®; Priority Mail®; Parcel Post®; Media Mail®; Priority Mail International®; Express Mail International®; Click-N-Ship®; DMM®; ZIP+4®; Postal Service™; Post Office™; Delivery Confirmation™; Signature Confirmation™; Certified Mail™; Registered Mail™; ZIP Code™. The Sonic Eagle Logo is also a registered trademark belonging to the United States Postal Service.

Unauthorized use of Postal Service trademarks is prohibited.

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1 Overview of USPS Products and Services

Domestic Products

Exhibit 1-1 provides an overview of domestic products.

Exhibit 1-1

Domestic Products and Services

Product	Length		Height		Thickness	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Postcard	5 in.	6 in.	3-1/2 in.	4-1/4 in.	0.007 in.	0.016 in.
Letter (not more than 3.5 oz in weight*)	5 in.	11-1/2 in.	3-1/2 in.	6-1/8 in.	0.007 in.	1/4 in.
Large Envelope (Rectangular, uniformly thick and flexible)*	11-1/2 in.**	15 in.	6-1/8 in.**	12 in.	1/4 in.**	3/4 in.
Package	Length + girth (distance around the thickest part of package) cannot exceed 108 inches. The oversized price applies to Parcel Post items over 108 inches, but no more than 130 inches length+girth. Weight cannot exceed 70 pounds. Some shapes such as tubes and square envelopes might require additional postage. Items that are too flimsy or too stiff to be processed by machine might also require additional postage.					

* reference DMM

** Large Envelope - must exceed one or more of these minimums, but not necessarily all three.

Sizes for Domestic Mail

Overview

The minimum size for a First-Class Mail postcard or letter is 5 inches long, 3-1/2 inches high, and 0.007 inch thick.

All mail must meet the following standards:

- Thickness: Not less than 0.007 inch thick. Pieces that are 1/4 inch thick or less must be at least 3-1/2 inches high, 5 inches long, and rectangular in shape
- Combined length and girth: Not more than 108 inches — except for Parcel Post items, which may not exceed 130 inches. Girth is the distance around its thickest part perpendicular to the length. For letters, length is the dimension parallel to the address as read. For parcels, length is the longest side.
- Weight: Not more than 70 pounds

Keys and identification devices are exempted from these requirements.

Nonmachinable Surcharge for First-Class Mail Single Piece Letters

First-Class Mail Letters that meet one or more of the nonmachinable characteristics in DMM 101.1.2 are to be charged the nonmachinable surcharge.

A letter-size piece is nonmachinable if it has one or more of the following characteristics (see DMM 601.1.4 to determine the length, height, top, and bottom of a mailpiece):

- Has an aspect ratio (length divided by height) of less than 1.3 or more than 2.5
- Is polybagged, polywrapped, or enclosed in any plastic material
- Has clasps, strings, buttons, or similar closure devices
- Contains items such as pens, pencils, or loose keys or coins that cause the thickness of the mailpiece to be uneven (see DMM 601.2.3, Odd-Shaped Items in Paper Envelopes)
- Is too rigid (does not bend easily when subjected to a transport belt tension of 40 pounds around an 11-inch diameter turn)
- For pieces more than 4-1/4 inches high or 6 inches long, the thickness is less than 0.009 inch
- Has a delivery address parallel to the shorter dimension of the mailpiece
- Is a self-mailer, not prepared according to DMM 201.3.14.1
- Is a booklet that is not prepared according to DMM 201.3.14.2.

Postcard Dimensions

The dimensions required for a postcard are as follows:

- Minimum: Not less than 3-1/2 inches high, 5 inches long and 0.007 inch thick
- Maximum: Not more than 4-1/4 inches high or more than 6 inches long or greater than 0.016 inch thick

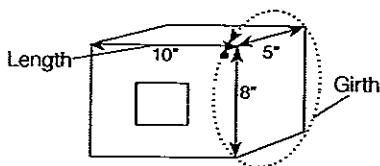
Measuring Parcels

For parcels, length is the measurement of the longest dimension, and girth is the measurement around the thickest part (perpendicular to the length).

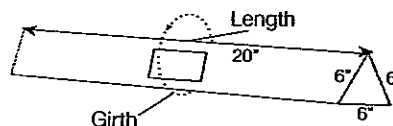
Exhibit 1-2 provides examples of measuring parcels.

Exhibit 1-2

Measuring Parcels



$$\begin{aligned}\text{Length} &= 10'' \\ \text{Girth} &= (8+5+8+5)=26'' \\ \text{Length} + \text{Girth} &= 36''\end{aligned}$$



$$\begin{aligned}\text{Length} &= 20'' \\ \text{Girth} &= (6+6+6)=18'' \\ \text{Length} + \text{Girth} &= 38''\end{aligned}$$






Measurement	Maximum
Length + Girth	108 inches
Weight	70 pounds

Choosing a Service for Mailing

Exhibit 1-3 provides an overview and selections among various services — Express Mail service, Priority Mail service, First-Class Mail service, Parcel Post service, and Media Mail services.

Exhibit 1-3

Choosing a Service for Mailing

Shape	Max. Weight	Content	Speed	Cost ¹	Service
	70 lbs.	Any mailable item ²	1-2 days money-back guarantee	\$\$\$ Based on weight and distance	Express Mail
	70 lbs.	Any mailable item ²	2-3 days (average)	\$\$ Based on weight and distance if over 1 lb.	Priority Mail
	13 oz. for large envelopes and parcels, 3.5 oz. for letters and postcards	Any mailable item ²	1-3 days	\$\$ Based on weight and shape	First-Class Mail
	70 lbs.	Merchandise and gifts	2-9 days ³	\$ Based on weight, distance, and shape	Parcel Post
	70 lbs.	Media	2-9 days ³	\$ Based on weight	Media Mail ⁴

¹ For specific costs, see the DMM. In this table, the relative cost is indicated by the number of dollar signs (“\$”).

² Certain hazardous materials are excluded.

³ Except Alaska and Hawaii.

⁴ Consult the DMM for restrictions.

Zone Charts

Zone information is used to compute Express Mail, Priority Mail and Parcel Post prices. Zone Charts identify the appropriate distance code assigned to each originating and destination ZIP Code pairing for every ZIP Code in the nation. These distance codes, referred to as “zones,” are designated with numeric references of “1” through “8”; in some cases, destination zones that are located near the originating zone are designated “local” zones. Zone charts create a ZIP Code matrix based on origination and destination of the mailing and identify the correct zone for the distance.

The Zone Chart Program provides a 1-page zone chart for origin ZIP Codes; go to <http://pe.usps.com> and click on Zone Charts.

Adding Extra Services

Information on extra services, such as Insurance, Certified Mail, Delivery Confirmation service, and Signature Confirmation™ service, are available online at www.usps.com. USPS-Approved Shippers will find it advantageous to use online services for their customers' shipping and mailing needs.

Delivery Confirmation and Signature Confirmation services purchased online are charged at a lower electronic price. Tracking information is available online *only*.

Exhibit 1-4 shows some extra services (protection and confirmation services) available with various mailing services at USPS Approved Shipper locations.

Exhibit 1-4

Protection and Confirmation Features Available With Various Mailing Services

Service	Protection in Transit	Confirmation of delivery
Express Mail	Insurance — \$100 coverage already included, more can be added	Provides signature proof of delivery upon request and tracking information
Priority Mail	Insurance up to \$5000 at Post Offices and up to \$500 at APCs and online	Certified Mail Delivery Confirmation Signature Confirmation
First-Class Mail, if it contains matter that may be mailed as Standard Mail or Package Services	Insurance up to \$5000 at Post Offices and up to \$500 at APCs and online	Certified Mail Delivery Confirmation (parcels only) Signature Confirmation (parcels only)
Package Services	Insurance up to \$5000 at Post Offices and up to \$500 at APCs and online	Delivery Confirmation (parcels only) Signature Confirmation (parcels only)
Media Mail	Insurance up to \$5000 at Post Offices and up to \$500 at APCs and online	Delivery Confirmation (parcels only) Signature Confirmation (parcels only)

See Publication 370 for more information about Extra Services

Accepting Accountable Items

A USPS-Approved Shipper is authorized to accept the following accountable items from customers to give to letter carriers or for mailing at the Post Office:

- a. Insured items
- b. Express Mail items
- c. Certified Mail items
- d. Delivery Confirmation items
- e. Signature Confirmation items

A USPS Approved Shipper cannot accept Registered Mail items.

Mailing customers who require articles to be round dated must go to their local Post Office.

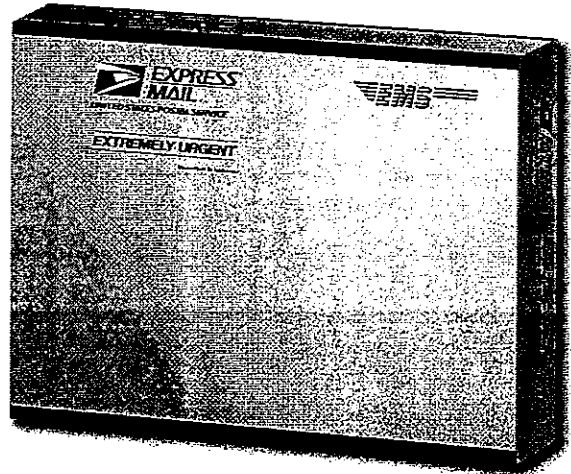
2 Retail Services

Express Mail

Overview

Express Mail is the Postal Service's fastest service for time-sensitive letters, documents, or merchandise. It offers next-day and second-day delivery nationwide — and comes with a money-back guarantee.

Express Mail items need to be mailed by a scheduled acceptance time. A USPS Approved Shipper *must* coordinate this time with its local Post Office in order to provide correct service commitments to its customers. If delivery is not made or attempted by the specified time period (depending on the destination), postage is fully refunded, upon application. Some restrictions apply; please check with the local Post Office for details.



Express Mail Features

Express Mail offers the following features:

- a. Next day delivery by noon or by 3:00 p.m. to many destinations
- b. Delivery to most addresses in the United States
- c. Express Mail Corporate Account. Provide customer with ease of use and payment options. Go to usps.com/shipping/corporate-accounts.htm
- d. Package Pickup. Request free Package Pickup by calling 1-800-ASK-USPS or go to <http://usps.com/pickup>
- e. Automatically insured against loss or damage up to \$100 free of charge
- f. Tracking information available at no extra charge
- g. Shipping supplies available at no extra charge
- h. Convenient flat-rate envelopes. Ship urgent documents to any state in the U.S., Puerto Rico, Guam, or the Virgin Islands for one low price for any amount of material that reasonably fits within the packaging, up to 70 pounds.

Express Mail

Express Mail prices are zone-based and based on weight and distance, which is consistent with standard industry practices.

Commercial Base Prices

Express Mail commercial base prices are less than Express Mail retail prices (see Notice 123-Price List). These prices apply to:

- a. Customers who use an Express Mail Corporate Account (EMCA), including Federal Agency Accounts.
- b. Click-N-Ship customers.
- c. Registered end-users of USPS-approved PC Postage providers when using a qualifying shipping label managed by the PC Postage system used.
- d. Customers who pay postage using information-based indicia (IBI) postage meters when using an Express Mail shipping label.

Commercial Plus Prices

Commercial plus prices are less than Express Mail commercial base prices. Commercial plus pricing is available to existing customers whose cumulative account volume exceeds 6,000 pieces in the previous four quarters or who have a customer commitment agreement with the USPS (see DMM 413.1.4.2) and who are:

- a. Express Mail Corporate Account (EMCA) customers, including Federal Agency Accounts.
- b. Registered end-users of USPS-approved PC Postage product when using a qualifying shipping label managed by the PC Postage system used.

Commercial plus prices are available for new Express Mail customers who have a customer commitment agreement with the USPS. Shippers must contact their account manager or the office of Commercial Pricing at cpp@usps.gov for additional information.

Express Mail Prices

For weights up to 70 pounds, use the Domestic Price Calculator available at www.usps.com; click on *Calculate Postage* and then, under "Calculate Domestic Postage," click on the *Go* button. For complete Express Mail prices, go to <http://pe.usps.com>; click on either *Price List (Notice 123)* or *Domestic Mail Manual (DMM)*.

Express Mail Flat Rate Envelope

For matter sent in an Express Mail Flat Rate Envelope provided by the Postal Service, the price remains the same, regardless of weight or destination.

Legal-size Express Mail Flat Rate envelope allows for sending important documents without folding.

Extra Services Available

The following extra services are available for additional fees:

- a. Insurance. Additional insurance coverage is available for merchandise valued up to \$5,000.
- b. Return Receipt (PS Form 3811). The mailer receives a receipt with the date of delivery and the recipient's signature.
- c. Hold For Pickup service available at 31,000 locations.

- d. COD service allows the Postal Service to deliver an item and collect payment and postage from the recipient.
- e. Express Mail Corporate Account benefits include tracking mailing costs and shipments with a detailed activity report.

Express Mail Tracking Information and Supplies

USPS Approved Shippers can order Express Mail supplies and labels, arrange pickup service, obtain delivery information between ZIP Code locations, and determine delivery status by calling Customer Service at 800-222-1811 or by going online to www.usps.com.

USPS Approved Shippers can also order Express Mail supplies and labels online at <http://supplies.usps.gov>.

Addressing

Each piece should include a complete delivery address with correct ZIP Code or ZIP+4 code. All packages must use an Express Mail label.

Characteristics and Content

Maximum weight is 70 pounds. Maximum length and girth combined is 108 inches. Weight and size limitations vary for international and military service (see the *IMM*, *DMM* or the local postmaster for more information).

Collection

A USPS Approved Shipper *must* coordinate Express Mail collection times with its local Post Office in order to meet service commitments for customers.

Guarantees

Express Mail delivery guarantees are available from the local Post Office.

Express Mail Postage Refund

A claim for a refund for Express Mail postage may be made only by the mailer (the sender of an Express Mail item or the holder of the Express Mail Corporate Account used to pay for postage). The mailer must file this claim at the local Post Office.

Waiver of Signature

The mailer may waive the signature of the recipient by checking the waiver of signature block and signing the waiver box on the Express Mail label. Completion of the waiver of signature authorizes the delivery employee to sign upon delivery. The item is delivered to the addressee's mail receptacle or other secure location. Additional merchandise insurance is void if the mailer requests waiver of signature.

Priority Mail Service

Overview

Priority Mail service is used for documents, gifts, and merchandise. Any mailable item may be sent as Priority Mail. The maximum weight is 70 pounds. The maximum size is 108 inches or less in combined length and girth. Mark each package "Priority Mail" on the address side of each piece or use a USPS-provided Priority Mail envelope or box.

Priority Mail Features

Priority Mail service offers the following features:

- a. Expedited delivery of packages at economical prices.
- b. 2-3 day delivery.
- c. Lowest price of any major shipper on shipments up to 5 lbs.
- d. Delivery to all U.S. addresses, plus PO box addresses and most military addresses.
- e. 6-day delivery week (Saturdays included at no extra charge).
- f. Convenient flat-rate envelopes at no additional charge. There is one low price for any amount of material that the envelope can reasonably hold.
- g. Convenient flat-rate boxes in four different sizes at no additional charge. For complete Priority Mail prices, go to <http://pe.usps.com>; click on either Price List or Domestic Mail manual.
- h. Easy solutions for customer returns with Merchandise Return Service.
- i. Free forwarding and return services for undeliverable shipments.
- j. No surcharges.

Priority Mail Supplies

Priority Mail envelopes, labels, and boxes are available at no additional charge at most Post Offices or by calling Customer Service at 800-222-1811 or online at <http://supplies.usps.gov>. (Some items may not be available at Post Office branches).

Commercial Base Prices

The commercial base prices are available for:

- a. Click-N-Ship customers.
- b. Registered end-users of USPS-approved PC-Postage products when using a qualifying shipping label managed by the PC Postage system used.
- c. Customers using permit imprint when a postal routing barcode matching the destination ZIP Code is on the mailpiece (see DMM 708.5.0). Flat-shaped mailpieces (see 301.1.1) with permit imprints may bear a POSTNET or Intelligent Mail barcode (see DMM 708.4.0) instead of the postal routing barcode.
- d. Priority Mail Open and Distribute customers using permit imprint when a Service barcode containing a unique service type code 55 is on the address label under DMM 705.16.5.7.
- e. Customers who pay postage using information-based indicia (IBI) postage meters in conjunction with an approved shipping label that bears a confirmation services barcode with a postal routing code (see DMM 708.5.0).

Commercial Plus Prices

Commercial Plus prices are available to existing Priority Mail customers that are:

- a. Registered end-users of USPS-approved PC-Postage products who qualify for commercial base prices and whose account volume exceeds 100,000 pieces in the previous calendar year or who have a customer commitment agreement with the USPS (see DMM 423.1.3.2).
- b. Permit imprint customers who qualify for commercial base prices and whose account volume exceeds 100,000 pieces in the previous calendar year or who have a customer commitment agreement with the USPS (see DMM 423.1.3.2).
- c. Priority Mail Open and Distribute (PMOD) customers who qualify for commercial base prices and whose account volume exceeds 600 PMOD containers (see DMM 705.16.5.1) in the previous calendar year or who have a customer commitment agreement with the USPS (see DMM 423.1.3.2).

Commercial plus prices are available for new Priority Mail customers who have a customer commitment agreement with the USPS. Shippers must contact their account manager or the Office of Commercial Pricing at cpp@usps.gov.

Priority Mail Prices

For complete Priority Mail prices, go to <http://pe.usps.com>; click on either *Price List (Notice 123)* or *Domestic Mail Manual (DMM)*. The Zone Chart Program provides a 1-page zone chart for origin ZIP Codes; go to <http://pe.usps.com> and click on *Zone Charts*.

To calculate Priority Mail prices for all weights without using a Zone Chart, use the Domestic price Calculator available at www.usps.com; click on *Calculate Postage* and then, under "Calculate Domestic Postage," click on the Go button.

Priority Mail "Balloon Price"

In Zones 1-4 (including local), parcels weighing less than 20 pounds but measuring more than 84 inches in combined length and girth (though not more than 108 inches) are charged the applicable price for a 20-pound parcel (balloon price).

Low-Density Parcels

Priority Mail parcels addressed for delivery to zones 5-8 exceeding one cubic foot (1,728 cubic inches) are charged, based on the actual weight or the dimensional weight, whichever is greater. To calculate dimensional weight:

- a. For box-shaped parcels, the dimensional weight, in pounds, is calculated as the length times the width times the height, all in inches. If the result exceeds 1,728, divide by 194 and round up to the next whole pound to determine the dimensional weight.
- b. For irregularly-shaped parcels (not appearing box-shaped), the dimensional weight, in pounds, is calculated as the length times the width times the height at their maximum cross-sections, all in inches multiplied by an adjustment factor of 0.785. If the result exceeds 1,728, divide by 194 and round up to the next whole pound to determine the dimensional weight. If the dimensional weight exceeds 70 pounds, the mailer pays the 70 pound price.

Priority Mail Flat-Rate Envelope

For matter sent in a Priority Mail Flat Rate envelope provided by the Postal Service, the price is the same, regardless of weight or destination.

Priority Mail Flat-Rate Box

For matter sent in Priority Mail Flat Rate Boxes provided by the Postal Service, the price is the same, regardless of weight (up to a maximum of 70 pounds) or destination.

Addressing

Each piece should include complete delivery and return addresses with correct ZIP Code or ZIP+4 code. For further information, go to <http://pe.usps.com> and click on *Domestic Mail Manual (DMM)*.

Characteristics and Content

The maximum combined length and girth is 108 inches. The maximum weight is 70 pounds. For further information, go to <http://pe.usps.com> and click on *Domestic Mail Manual (DMM)*.

First-Class Mail Overview

First-Class Mail service is used for personal and business correspondence. Any nonrestricted mailable item may be sent by First-Class Mail. It includes postcards, letters, large envelopes, and small packages. The maximum weight is 13 ounces. Pieces over 13 ounces must be sent by Priority Mail or Express Mail.

First-Class Mail Prices

First-Class Mail prices are charged by the shape of the mail. For complete price information, go to <http://pe.usps.com>: click on either Price List or Domestic Mail Manual (DMM).

For pieces weighing more than 13 ounces, see the Priority Mail section.

Addressing

Each piece should include complete delivery and return addresses with correct ZIP Code or ZIP+4 code. For further information, go to <http://pe.usps.com> and click on *Domestic Mail Manual (DMM)*.

Characteristics and Content

The minimum size for a First-Class Mail postcard or letter is 5 inches long, 3-1/2 inches high, and 0.007 inch thick.

Nonmachinable Surcharge

A letter-size piece is nonmachinable if it has one or more of the following characteristics (see DMM 601.1.4 to determine the length, height, top, and bottom of a mailpiece):

- a. Has an aspect ratio (length divided by height) of less than 1.3 or more than 2.5
- b. Is polybagged, polywrapped, or enclosed in any plastic material
- c. Has clasps, strings, buttons, or similar closure devices
- d. Contains items such as pens, pencils, or loose keys or coins that cause the thickness of the mailpiece to be uneven (see DMM 601.2.3, Odd-Shaped Items in Paper Envelopes)

- e. Is too rigid (does not bend easily when subjected to a transport belt tension of 40 pounds around an 11-inch diameter turn)
- f. For pieces more than 4-1/4 inches high or 6 inches long, the thickness is less than 0.009 inch
- g. Has a delivery address parallel to the shorter dimension of the mailpiece
- h. Is a self-mailer not prepared according to DMM 201.3.14.1.
- i. Is a booklet that is not prepared according to DMM 201.3.14.2.

The letter price applies to pieces that:

- a. Do not exceed 3.5 ounces in weight
- b. Exhibit a length between 5 and 11.5 inches
- c. Exhibit a height between 3.5 and 6.125 inches
- d. Exhibit a thickness between 0.007 and 0.25 inches

Flats

The flat-prices apply to pieces that are rectangular, uniformly thick, and flexible and have the following dimensions:

- a. A length more than 11.5 inches, or a height more than 6.125 inches or a thickness more than 0.25 inches
- b. A length not more than 15 inches or a height not more than 12 inches or a thickness not more than 0.75 inches.

Parcel

The parcel prices apply to pieces that are not eligible for letter or flat-prices as defined above.

Forever Stamp

Postage for the first ounce of First-Class Mail single-piece letter may be paid through the application of a Forever Stamp. The Forever Stamp is sold at the prevailing price for single-piece letters, first ounce. Once purchased, the Forever Stamp may be used for first ounce letter postage at any time in the future, regardless of the prevailing price at the time of use.

Parcel Post Service

Overview

To compute Parcel Post prices, go to Postal Explorer at <http://pe.usps.com> and click on "Retail/Single Piece" under Price Calculators in the left frame. For zone charts, click on "Zone Charts." The maximum weight is 70 pounds. The maximum size is 130 inches in combined length and girth around the thickest part.

Parcel Post "Balloon Price"

Items that weigh less than 20 pounds but measure more than 84 inches and less than 108 inches in combined length and girth must pay the 20-pound Parcel Post zoned price.

Parcel Post Nonmachinable Price

A nonmachinable price applies to certain items — including packages weighing less than 6 ounces or more than 35 pounds (25 pounds for books and printed matter) — and to certain shapes (e.g., tubes, rolls, and small and large packages).

Mark each package “Parcel Post” in the postage area.

Parcel Post Prices

To calculate prices for Parcel Post, use the Domestic Price Calculator available at www.usps.com; click on *Calculate Postage* and then, under “Calculate Domestic Postage,” click on the *Go* button.

For complete Parcel Post prices, go to <http://pe.usps.com>; click on either *Price List (Notice 123)* or *Domestic Mail Manual (DMM)*. The Zone Chart Program provides a 1-page zone chart for origin ZIP Codes; go to <http://pe.usps.com> and click on *Zone Charts*.

Parcel Post Oversize Price

The Parcel Post oversize price applies to pieces that measure more than 108 inches but not more than 130 inches in combined length and girth.

Media Mail

Media Mail is available for items that meet certain eligibility requirements.

For complete information on Media Mail eligibility requirements and prices, go to <http://pe.usps.com>; click on either *Price List (Notice 123)* or *Domestic Mail Manual (DMM)*.

3 International Mail

Regardless of any statement contained in this guide, the burden rests with the mailer to ensure that he or she has complied with the prescribed laws and regulations governing domestic and international mail, both those of the United States and those of the destination country. Information about international products and services can be found in the *International Mail Manual (IMM)*, which is available online (go to <http://pe.usps.com>; click on *International Mail Manual (IMM)*) and also at the online International Resource Center at www.usps.com/global/intlresourcecenter.htm.

Politics and economics can change global mailing conditions. The latest information on global mailing conditions can be found at www.usps.com/global/serviceupdates.htm.

International Resource Center

The Postal Service provides an online International Resource Center at www.usps.com/global/intlresourcecenter.htm. This site provides assistance with the following issues:

- a. Order supplies online
- b. International Price Calculator
- c. Prices
- d. Payment methods
- e. International addressing standards
- f. Customs
- g. International forms
- h. International inquiries and claims

The International Resource Center also allows mailers to order supplies online and provides links to the international price calculator and to the IMM.

Customs Forms

Customers might need to complete customs forms depending on the contents and weight of the mailpiece. Only two customs declaration forms are used, as required under IMM 123.6, for international mail:

- a. PS Form 2976, *Customs Declaration CN 22 — Sender's Declaration* (green label);
- b. PS Form 2976-A, *Customs Declaration and Dispatch Note — CP 72*.
Note : PS Form 2976-E, *Customs Declaration Envelope — CP 91*, is used as a carriage document for PS Form 2976-A.

Exhibit 3-1 provides guidance on required customs forms.

Exhibit 3-1

Customs Declaration Forms Usage

Type of Item	Declared Value, Weight, or Physical Characteristic	Required PS Form	Comment
Global Express Guaranteed Items			
All items.	All values	6182	PS Form 6182, <i>Commercial Invoice</i> , is required for certain commodities and destinations. For determination, see Publication 141, <i>Global Express Guaranteed Service Guide</i> .
Express Mail International Items			
All items.	All values	2976 or 2976-A	Required customs forms and endorsements vary by country and are specified in the Individual Country Listings.
Priority Mail International Items Except Flat-Rate Envelope and Small Flat-Rate Box			
All Priority Mail International items except the flat-rate envelope and small flat-rate box.	All values	2976-A	Except for the Priority Mail International flat-rate envelope and small flat-rate box, all items mailed in USPS-produced Priority Mail International packaging or any other container bearing a Priority Mail sticker or marked with the words "Priority Mail" are considered to be within the scope of this requirement.
Priority Mail International Flat-Rate Envelope (Maximum weight limit: 4 pounds)			
All Priority Mail International flat-rate envelopes containing only documents except for the known mailer exemption described in the entry below.	Under 16 ounces, no more than 3/4 inch thick, and uniformly thick	None*	
	16 ounces or more, more than 3/4 inch thick, or not uniformly thick	2976	
All Priority Mail International flat-rate envelopes containing only documents that are entered by a known mailer as defined in 123.62.	No more than 3/4 inch thick and uniformly thick	None*	
	More than 3/4 inch thick or not uniformly thick	2976	
All Priority Mail International flat-rate envelopes containing potentially dutiable contents, regardless of weight.	\$400 or less	2976	Merchandise is permitted unless prohibited by the destination country.
	Over \$400	Prohibited	Items over \$400 must be mailed using Global Express Guaranteed service, Express Mail International service, or Priority Mail International service (other than the flat-rate envelope or small flat-rate box).
Priority Mail International Small Flat-Rate Box (Maximum weight limit: 4 pounds)			
All Priority Mail International small flat-rate boxes, regardless of contents.	\$400 or less	2976	Merchandise is permitted unless prohibited by the destination country.
	Over \$400	Prohibited	Items over \$400 must be mailed using Global Express Guaranteed service, Express Mail International service, or Priority Mail International service (other than the flat-rate envelope or small flat-rate box).

Type of Item	Declared Value, Weight, or Physical Characteristic	Required PS Form	Comment
First-Class Mail International Letters and Large Envelopes (Flats), Including International Priority Airmail (IPA) Items and International Surface Air Lift (ISAL) Items (Maximum weight limit: 4 pounds)			
All letter-size and flat-size items, as defined in 243, containing only documents except for the known mailer exemption described in the entry below.	Under 16 ounces	None*	
	16 ounces or more	2976	
All letter-size and flat-size items, as defined in 243, containing only documents that are entered by a known mailer as defined in 123.62.		None*	
All items containing potentially dutiable contents, regardless of weight.	\$400 or less	2976	Merchandise is permitted unless prohibited by the destination country.
	Over \$400	Prohibited	Items over \$400 must be mailed using Global Express Guaranteed service, Express Mail International service, or Priority Mail International service (other than the flat-rate envelope or small flat-rate box).
First-Class Mail International Packages (Small Packets), Including IPA Items and ISAL Items (Maximum weight limit: 4 pounds)			
All First-Class Mail International packages (small packets), as defined in 243.4, regardless of contents.	\$400 or less	2976	Merchandise is permitted unless prohibited by the destination country.
	Over \$400	Prohibited	Items over \$400 must be mailed using Global Express Guaranteed service, Express Mail International service, or Priority Mail International service (other than the flat-rate envelope or small flat-rate box).
Free Matter for the Blind or Other Physically Handicapped Persons			
All items.	Follow above requirements for relevant mail category, as appropriate.	Follow above requirements for relevant mail category, as appropriate.	Free matter for the blind or other physically handicapped persons requires a customs form for all articles.
M-bags (Airmail, IPA Service, and ISAL Service)			
All M-bags	\$400 or less	2976	A fully completed PS Form 2976 must be affixed to PS Tag 158, M-bag Addressee Tag.
	Over \$400	Prohibited	

* Qualifying items must meet the physical characteristics in 243.34. For example, the following items do not meet this requirement and must bear a PS Form 2976: 1) Priority Mail International flat-rate envelopes that are not uniformly thick; 2) First-Class Mail International items claimed at the package price; and 3) IPA and ISAL packages (small packets) containing only documents

¹ Placement of forms: Use PS Form 2976 (green label) for Priority Mail International flat-rate envelope and First-Class Mail International items under \$400 in value and affix it to the outside of the package. If the value of the contents is \$400 or more, affix the upper portion of PS Form 2976 (green label) (cut on dotted line and discard the lower portion) to the outside of the package, complete a separate PS Form 2976-A, and enclose the form set inside the package.

² Free matter for the blind requires a customs form for all articles.

³ An M-bag requires a customs form when it contains potentially dutiable printed matter, and admissible merchandise items as defined in 261.22 or some combination thereof.

Note: Bulk business products, including International Surface Air Lift (ISAL) and International Priority Airmail (IPA), require customs forms based on package contents and weight as specified above and as required by the country of destination.

Express Mail International

Overview

Express Mail International service is an expedited mail service that can be used to send documents and merchandise to most country locations. Express Mail International now offers a date certain money-back guarantee to select destinations. To all other destinations, Express Mail International shipments are not guaranteed and are not eligible for refunds. See *IMM* for individual country listings.

Country specific maximum weight limits range from 22 pounds to 70 pounds. For the weight limit to a specific country, see the Individual Country Listings in the *International Mail Manual (IMM)*. The *IMM* is available online at <http://pe.usps.com>; click on *International Mail Manual (IMM)*.

Express Mail International Features

Express Mail International service offers the following features:

Express Mail International may be paid by postage stamps, postage validation imprinter (PVI) labels, postage meter stamps, information-based indicia (IBI), PC Postage™, or through the use of an Express Mail corporate account. Note: All mail weighing over 13 ounces bearing only postage stamps as postage must be taken to an employee at a retail service center at a post office, approved shipper, contract post office or community post office for deposit.

- a. Delivery to destinations in more than 190 countries.
- b. Expeditious handling in the destination country.
- c. All Express Mail domestic packaging can be used for international shipments.
- d. Express Mail flat-rate envelope now offers one price for Canada/Mexico and one price for all other countries.
- e. 8% discount for postage paid using combined mailing label and customs declaration form. Additional discounts for commercial shippers. Online tracking information available at no extra charge.
- f. Insurance coverage against loss, damage, or rifling up to \$100 at no extra charge. Mailers may purchase additional merchandise insurance coverage up to \$5,000. However, document reconstruction insurance coverage is limited to a maximum of \$100 per shipment.
- g. Return receipt service available at no extra charge for shipments sent to a limited number of countries. See IMM 221.4. (The IMM is available online; go to <http://pe.usps.com>; click on *International Mail Manual (IMM)*, and then go to section 221.4.)

Additional information about Express Mail International is available online at <http://pe.usps.com>; click on *International Mail Manual (IMM)*.

Priority Mail International

Overview

Priority Mail International service is a reliable, cost-effective way to send documents and merchandise to more than 200 countries.

Priority Mail International Features

Priority Mail International service offers the following features and benefits:

- a. All domestic packaging can be used for Priority Mail International shipments
- b. Flat-rate envelope and flat-rate boxes services available
- c. Combined online address and customs form, PS Form 2976-PMI or PS Form 2976-A-PMI
- d. Order packaging online
- e. 5% discount for postage paid online

Priority Mail International Flat Rate Envelopes and Small Flat Rate Box

Items which may be sent as First-Class Mail International can be sent in the Priority Mail International Flat Rate Envelope and Small Flat Rate Box provided that the contents fit securely. Priority Mail International offers two flat-rate envelope prices to: Canada and Mexico and all other countries. These two items are classified as letter post.

- a. 4 pound maximum weight limit
- b. No tracking
- c. No insurance
- d. Registered Mail service without insurance
- e. Customs PS Form 2976 (see IMM 123 chart on p. 18)

Priority Mail International Parcels

For packages weighing up to 70 pounds, Priority Mail International offers flat-rate box prices to: Canada and Mexico and all other countries. Flat-rate boxes come in two sizes, regular and large. The Regular Flat-Rate Box comes in two shapes. There is a 20 pound maximum weight limit on all flat-rate boxes.

- a. Tracking to major destinations
- b. Limited indemnity at no charge (see country listing at <http://pe.usps.com>)
- c. Insurance is available for a fee
- d. Requires Customs PS Form 2976-A

For more information about Priority Mail International service go to: <http://pe.usps.com>

First-Class Mail International

Overview

First-Class Mail International pieces are letter post items and includes mailpieces of differing shapes, sizes, and contents which weigh four pounds or less that are subject to the provisions of the Universal Postal Union letter-post Convention. First-Class Mail International items may contain any matter that can be mailed that is not hazardous or prohibited by the destination country.

At the sender's option, extra services, and return receipt may be added on a country-specific basis. Note: The term First-Class Mail International encompasses all of the classes of international letter-post mail (i.e., letter and letter packages, postcards and postal cards, printed matter, and small packets) that were formerly categorized as Airmail and Economy Letter-post.

Addressing

Destination Address

- a. Addresses must be printed in ink or typewritten. Pencil is unacceptable.
- b. The name and address of addressee must be written legibly with roman letters and Arabic numbers, all placed lengthwise on one side of the item. For parcels, addresses should also be written on a separate slip enclosed in the parcel.
- c. Addresses in Russian, Greek, Arabic, Hebrew, Cyrillic, Japanese, or Chinese characters must bear an interline translation in English of the names of the post office and country of destination. Global Express Guaranteed addresses must be written completely in English.
- d. The name of the sender and/or addressee may not be in initials except where they are an adopted trade name.
- e. The house number and street address or box number must be included when mail is addressed to towns or cities. (For further information see IMM)
- f. The name of the place of destination and the name of the country of destination must be written in capital letters together with the correct post code number or delivery zone number, if any. The last line of the address must show only the country name, written in full (no abbreviations) and in capital letters. If possible, the address should have no more than five lines. For example:

Mr Thomas Clark	MS C P Apple
117 Russell Drive	Apartado 3068
LONDON W1P 6HQ	46807 PUERTO VALLARTA JALISCO
GREAT BRITAIN	MEXICO

Exception: To Canada, there must be two spaces between the province abbreviation and the postal code, as shown below between "ON" and "K1A 0B1":

MS HELEN SAUNDERS
1010 CLEAR STREET
OTTAWA ON K1A 0B1
CANADA

Return Address

Due to heightened security, many foreign postal administrations require complete sender and addressee information in roman letters and Arabic numerals on postal items. The complete address of the sender, including ZIP Code and country of origin, should be shown in the upper left corner of the address side of the envelope, package, or card.

Characteristics and Content

Shape-based pricing with separate prices for letters, large envelopes (flats), and packages (small packets) aligns with the domestic First-Class Mail price structure implemented in May 2007. Country price groups for First-Class Mail International are the same as Express Mail International and Priority Mail International.

Letters

Letter prices apply to pieces that meet the following requirements:

Weight Limit

The weight limit is 3.5 ounces. (First-Class Mail International letter-size pieces over 3.5 ounces are charged First-Class Mail International flat-size prices.)

Dimensions

Letter-size mail must be rectangular and meet the following dimensions:

- a. Not less than 5-1/2 inches long or 3-1/2 inches high or 0.007-inch thick.
- b. Not more than 11-1/2 inches long or more than 6-1/8 inches high or more than 1/4-inch thick.

First-Class Mail International items must be marked "AIRMAIL/PAR AVION" or have PS Label 19-A, Par Avion Airmail, or PS Label 19-B, Par Avion Airmail, affixed to the address side of the mailpiece.

Nonmachinable Surcharge

A \$0.20 per-piece surcharge applies to a First-Class Mail International letter, regardless of weight, with one or more of the nonmachinable characteristics listed under the domestic First-Class Mail Nonmachinable Surcharge.

Privately Manufactured Postcards

Privately manufactured postcards, except picture postcards, must bear the heading Postcard.

Dimensions

Each postcard claimed at a card price must be:

- a. Rectangular
- b. Not less than 3-1/2 inches high or 5-1/2 inches long or 0.007 inch thick
- c. Not more than 4-1/4 inches high or 6 inches long or 0.016 inch thick

Note: Unenclosed cards exceeding the size limits for postcards can be mailed at the First-Class Mail International letter price if they do not exceed 4-3/4 inches high or 9-1/4 inches long.

Large Envelopes (Flats)

Large envelope (flats) prices apply to pieces that meet the following requirements:

Weight Limit

The weight limit is 4 pounds.

Dimensions

Large envelopes (flats) must meet the following dimensions and characteristics:

- a. More than 11-1/2 inches long, or more than 6-1/8 inches high or more than 1/4-inch thick
- b. Not more than 15 inches long, or more than 12 inches high, or more than 3/4-inch thick
- c. Flexible (see 243.33)
- d. Rectangular
- e. Uniformly thick as stated in 243.34

Note: The length of a large envelope (flat) is the longest dimension. The height is the dimension perpendicular to the length. A First-Class Mail International large envelope (flat) that does not meet the standards is not eligible for the large envelope (flat) size price and is charged the applicable package (small packet) price.

Minimum Flexibility

Large envelopes (flats) must be flexible.

1. Place the piece with the length parallel to the edge of a flat surface and extend the piece halfway off the surface.
2. Press down on the piece at a point 1 inch from the outer edge, in the center of the piece's length, exerting steady pressure.
3. The piece is not flexible if it cannot bend at least 1 inch vertically without being damaged.
4. The piece is flexible if it can bend at least 1 inch vertically without being damaged and it does not contain a rigid insert. No further testing is necessary.

Packages (Small Packets)

Package (small packet) prices apply to single-piece category pieces that are not eligible for letter or large envelope (flat) prices as defined above and meet the following requirements:

Weight Limit

The weight limit is 4 pounds.

Dimensions

Packages (small packets) must be within the following dimensions:

- a. Maximum length: 24 inches. Length is the longest dimension.

- b. Maximum length, height, and depth (thickness) combined: 36 inches.
- c. Minimum size: Large enough to accommodate the postage, address, customs form, and other required elements on the address side.

Rolls

Weight Limit

The weight limit is 4 pounds.

Dimensions

Rolls must be within the following dimensions:

- a. Minimum length: 4 inches.
- b. Minimum length plus twice the diameter combined: 6-3/4 inches.
- c. Maximum length: 36 inches.
- d. Maximum length plus twice the diameter combined: 42 inches.

Forever Stamp

The Forever Stamp is the domestic First-Class Mail letter price in effect on the day of use (the day of mailing). Since all international prices are higher, additional postage is needed.

Prices

First-Class Mail International prices are charged by the shape of the mail. For complete price information, go to <http://pe.usps.com>.

See the Individual Country Listings for First-Class Mail International postage prices that are applicable to specific destination countries and territorial possessions.

General

Global Express Guaranteed®(GXG®) service is an international expedited delivery service provided through an alliance with FedEx Corporation. It provides reliable, high-speed, guaranteed, and time-definite service from selected Post Office facilities in the United States to a large number of international destinations. (See Countries and Cities Served section of Publication 141, *Global Express Guaranteed Service Guide*, for destination service commitments.) Global Express Guaranteed delivery service is guaranteed to meet the specified service standards or the postage paid may be refunded. For almost all network destinations, liability insurance is provided for lost or damaged shipments.

4 Extra Services

Certified Mail

Overview

Certified Mail is a domestic-only service which provides the customer with notification that the mailed item arrived at its destination. As an additional security feature, the recipient signs for the item at the time of delivery, and the Post Office maintains a record.

Certified Mail Availability

Certified Mail service is available with the following mail services (in addition to postage):

- a. First-Class Mail service
- b. Priority Mail service

Certified Mail service is available with the following extra services (in addition to the appropriate fees):

- a. Restricted delivery service
- b. Return receipt service

Certified Mail Features

Certified Mail service offers the following features:

- a. A mailing receipt for the customer.
- b. A delivery record which includes the recipient's signature is maintained by the Post Office for a specified period of time. Customers may obtain a delivery record by purchasing Return Receipt service.
- c. Delivery status can be obtained online, by calling USPS at 1-800-222-1811 or by bulk electronic transfer

Certified Mail service does not include insurance and is not available for international mail. For valuables and irreplaceable items, the Postal Service recommends Express Mail service or insured mail.

Certified Mail Fee

The Certified Mail fee is in addition to postage. For further information, go to <http://pe.usps.com> and click on *Domestic Mail Manual (DMM)*.

Certified Mail Form

Certified Mail service requires the use of PS Form 3800, *Certified Mail Receipt*.

Insured Mail

Overview

A customer can insure a mailed item for up to \$5,000 against loss, damage, or theft.

Note: Insurance can cover only what the contents are worth — the actual value at the time and place of mailing. The amount of insurance coverage for loss will be the actual value, less depreciation. No claim payments are made for sentimental losses or for any expenses incurred as a result of the loss.

www.usps.com/insurance

Insurance Availability

Insurance is available with the following mail services (in addition to postage):

- a. Express Mail. Express Mail is automatically insured against loss or damage up to \$100, free of charge, and the customer may purchase additional coverage up to \$5,000 for a fee.
- b. Priority Mail
- c. First-Class Mail
- d. Parcel Post
- e. Express Mail International (EMI). EMI is automatically insured against loss or damage up to \$100, and the customer may purchase additional coverage for a fee.
- f. Priority Mail International, parcels only.

Domestic insurance is available with the following extra services (in addition to the appropriate fees):

- a. Delivery Confirmation service.
- b. Signature Confirmation service.
- c. Restricted delivery service — restricted to items insured for more than \$200.
- d. Return receipt service — restricted to items insured for more than \$200.
- e. Special Handling.
- f. Return Receipt for Merchandise — restricted to items insured for less than \$200.
- g. Parcel Airlift (PAL).

Insurance Features

Insurance offers the following features:

- a. Coverage up to \$5,000 at Post Offices against loss, damage, or theft.
- b. Coverage up to \$500 online and APCs.
- c. File domestic claims using PS Form 1000 at any Post Office or go to www.usps.com/insuranceclaims/online, or <http://www.usps.com/insuranceclaims/online/> or <http://www.usps.com/insuranceclaims/online/welcome.htm> to use the online claim option.

- d. Customers may also purchase insurance online at www.usps.com/insurance/online.htm. With insurance purchased online, you can file a claim online. However, for insurance purchased online, the maximum indemnity coverage is \$500, and a customer cannot combine insurance purchased online with insurance purchased at a Post office or USPS Approved Shipper location.

For more information and guidelines, including how to file an International Inquiry and claim go to www.usps.com/insuranceclaims.

- e. Customers may also purchase insurance online at www.usps.com/insurance/online.htm. With insurance purchased online, you can file a claim online. However, for insurance purchased online, the maximum indemnity coverage is \$500, and a customer cannot combine insurance purchased online with insurance purchased at a Post Office or USPS Approved Shipper location.

Insurance Forms

There are two forms used for insured mail:

- a. PS Form 3813, Domestic Insured Mail Receipt \$ 200 or less
- b. PS Form 3813-P, Domestic Insured Mail Receipt over \$ 200 — up to \$ 5000

Go to Postal Store (www.usps.com/shop) to order forms online.

Delivery Confirmation Service

Overview

Delivery Confirmation service provides the customer with the date and time of delivery or attempted delivery of a mailed item. It is not available for International mail.

The customer must purchase Delivery Confirmation service at time of mailing.

Delivery Confirmation Availability

Delivery Confirmation may be used with the following services:

- a. First-Class Mail Service Parcels
- b. Priority Mail Service
- c. Package Services or Parcel Select parcels — restricted to parcels measuring at least 3/4" at the thickest point, or contained in a rigid box.
- d. Standard Mail Parcels - must be less than 16 ounces and mailed at the electronic price.

Delivery Confirmation service is available with the following extra services (in addition to the appropriate fees):

- a. Insured mail.
- b. Collect on Delivery (COD).
- c. Registered Mail.
- d. Restricted delivery service — if purchased with insurance for more than \$200, COD or Registered Mail.

- e. Return receipt service, if purchased with insurance for more than \$200, COD or Registered Mail.
- f. Return receipt for merchandise.

Delivery Confirmation service is now available to most APO/FPO destinations and U.S. territories and possessions (except Puerto Rico and U.S. Virgin Islands).

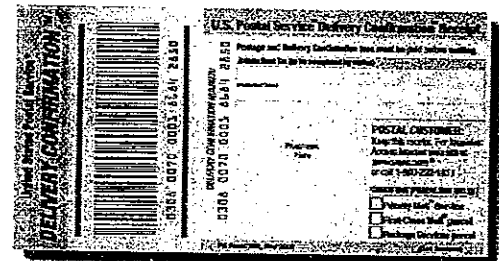
Delivery Confirmation Features

Delivery Confirmation service offers the following features:

- a. Access to delivery status by going to www.usps.com or by calling Customer Service at 800-222-1811.
- b. For certified shippers, access to the delivery status by establishing an electronic link to exchange acceptance and delivery data files with the Postal Service.
- c. Delivery Confirmation service is available at a retail fee and an electronic fee. The retail fee is available at USPS-Approved Shipper locations. The electronic fee is for mailers who use online Shipping Labels or are capable of sending and receiving electronic files of their shipments. For prices go to www.usps.com/prices.

Delivery Confirmation Form

Delivery Confirmation service requires the use of PS Form 152, *Delivery Confirmation*, unless purchased online or a labeling option approved by the Postal Service.



Signature Confirmation Service

Overview

Signature Confirmation™ provides the customer with the signature of the person who accepts the mailed item, as well as with the date and time of delivery or attempted delivery of a mailed item.

The customer must purchase Signature Confirmation service at time of mailing. It is not available for International mail.

Signature Confirmation Availability

Signature Confirmation service is available with the following mail services (in addition to postage):

- a. Priority Mail.
- b. First Class Mail — Restricted to parcels.
- c. Package Services parcels — includes Parcel Post and Media Mail.

Signature Confirmation service is available with the following extra services (in addition to the appropriate fees):

- a. Insured Mail.
- b. Collect on Delivery (COD)
- c. Registered Mail.

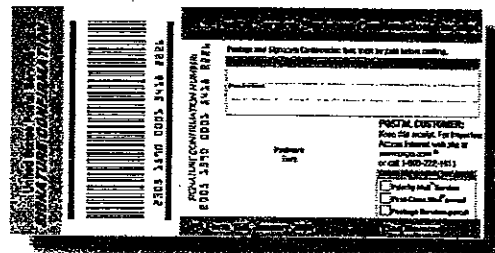
- d. Restricted delivery service, if purchased with insurance for more than \$200, COD or Registered Mail.
- e. Return receipt, if purchased with insurance for more than \$200, COD or Registered Mail.
- f. Special handling.

Note: Signature Confirmation not available to APO/FPOs or territories

Signature Confirmation Features

Signature Confirmation service offers the following features:

- a. Access to delivery status by going to www.usps.com or by calling Customer Service at 800-222-1811
- b. For certified shippers, access to the delivery status data by establishing an electronic link to exchange acceptance and delivery data files with the Postal Service.
- c. Ability to request that the Postal Service send a copy of the delivery record, including the recipient's signature, by fax or mail
- d. Signature Confirmation service is available at a retail fee and an electronic fee. The retail fee is available at USPS Approved Shipper locations. The electronic fee is for mailers who use online Shipping Labels or are capable of sending and receiving electronic files of their shipments. For further information, see www.usps.com/prices.



Signature Confirmation Form

Signature Confirmation service requires the use of PS Form 153, *Signature Confirmation* (unless purchased online) or a labeling option approved by the Postal Service.

Restricted Delivery Service

Overview

Restricted delivery service allows a mailer to request delivery only to the addressee or the addressee's authorized agent. (For example, famous people and executives of large organizations normally authorize an agent to sign for their mail.) For further information, go to <http://pe.usps.com> and click on Domestic Mail Manual (DMM).

Restricted Delivery Availability

Restricted delivery service is available with the following mail services when purchased at the time of mailing (in addition to postage):

- a. First-Class Mail, when purchased with Certified Mail, insurance for more than \$200, COD or Registered Mail
- b. Priority Mail — restricted to items having Certified Mail service or insured for more than \$200
- c. Package Services or Parcel Select if purchased at the time of mailing with insurance for more than \$200 or COD.

Restricted delivery service is available with the following extra services (in addition to the appropriate fees):

- a. Delivery Confirmation service — when the item is also insured for more than \$200
- b. Signature Confirmation service
- c. Special handling
- d. Parcel Airlift (PAL)

Return Receipt Services

Overview

Return receipt service provides the customer with proof of delivery (to whom the mail was delivered and date of delivery) along with information about the recipient's actual delivery address. A customer may purchase return receipt service either at the time of mailing or after mailing.

Return receipt service must be used with another service.

Return Receipt Availability

Return receipt service is available for:

- a. Express Mail (receive by mail [Form 3811] option only).
- b. First-Class Mail (including Priority Mail) — restricted to purchase at the time of mailing with items having Certified Mail service, COD or insured for more than \$200.
- c. Standard Mail prepared as parcels — restricted to purchase at time of mailing with items bulk insured for more than \$200.
- d. Package Services — restricted to purchase at the time of mailing with items having COD or insured for more than \$200.

Return receipt service is available with the following extra services (in addition to the appropriate fees):

- a. Delivery Confirmation — restricted to Priority Mail, First-Class Mail parcels and Package Services and Parcel Select parcels.
- b. Parcel Airlift — restricted to (PAL) (Priority Mail and Package Services).
- c. Restricted delivery
- d. Signature Confirmation — restricted to Priority Mail and Package Services and Parcel Select parcels.
- e. Special handling.

Return Receipt for Merchandise Availability

Return receipt for merchandise is available for merchandise sent as Priority Mail, Standard Mail machinable and irregular parcels, Package Services, and Parcel Select pieces.

Return Receipt for Merchandise is available with the following extra services (in addition to the appropriate fees):

- a. Delivery Confirmation
- b. Insurance (for up to \$200.00)
- c. Parcel airlift service (PAL)
- d. Special handling

Return Receipt Fee

Receiving a receipt electronically is not available for items mailed to APO/FPO addresses or U.S. territories, possessions, and freely associated states (except Puerto Rico and the U.S. Virgin Islands).

Return Receipt Forms

There are three forms used for return receipt service:

- a. PS Form 3811, Domestic Return Receipt
- b. PS Form 3811-A, Request for Delivery Information/Return Receipt After Mailing
- c. 2865 Return Receipt for International Mail

PS Form 3811 is used when the customer purchases return receipt service at the time of mailing.

PS Form 3811-A is used when the customer purchases return receipt service after mailing.

For Return Receipt service for Merchandise use the following forms:

- a. PS Form 3804, Mailing Receipt
- b. PS Form 3811, Domestic Return Receipt

PS Form 3804 is used to provide the sender with a mailing receipt and a return receipt.

For further information, go to <http://pe.usps.com> and click on Domestic Mail Manual (DMM).

5 Aviation Mail Security and Hazardous Material Guidelines

Licensee Responsibility

The licensee must comply with applicable Postal Service regulations governing mailability and preparation for mailing, as well as nonpostal laws and regulations on the shipment of particular matter.

Security of the Mail

The Postal Service is dedicated to providing a safe working environment for its employees, safeguarding the general public, and maintaining the reliability and security of the mail. Hazardous materials (HAZMAT), when improperly accepted, handled, and transported, represent a significant threat to these goals.

Once the License Agreement has been signed, the licensee will be required to sign the USPS AvSec/Hazmat Agreement for Shipping Centers stating that the licensee understands and agrees to comply with the requirements. This agreement details the responsibilities of USPS Approved Shippers. **A copy of these procedures (HAZMAT ONLY) must be accessible at all times to all USPS Approved Shipper employees who accept letters and packages.**

For additional details regarding hazardous materials and security, review the *Inquire, Inspect, Inform* DVD (included as part of the USPS-Approved Shipper start-up kit) DMM section 601.10 and Postal Service Publication 52, *Hazardous, Restricted, and Perishable Mail* (for online access information, see the section titled "Basic Information" in this chapter).

Hazardous Material Guidelines

Basic Information

The basic premise of the Postal Service mailability statute is that anything "which may kill or injure another, or injure the mails or other property," is nonmailable. Several statutory exceptions to this rule permit mailings of otherwise nonmailable matter under specified conditions. Statutory exceptions apply to the following matter:

- a. Live scorpions
- b. Poisonous drugs and medicines
- c. Poisons for scientific use
- d. Switchblade knives
- e. Firearms
- f. Motor vehicle master keys
- g. Locksmithing devices
- h. Abortive and contraceptive devices

The statutes also provide that the Postal Service may, by regulation, permit the mailing, under required conditions of preparation and packing, of potentially harmful matter not "outwardly or of [its] own force dangerous or injurious to life, health, or property." The standards in *DMM* 601 summarize the statutory prohibitions and exceptions. The mailability standards that apply to perishable, hazardous, and restricted matter are detailed in *DMM* 601.8, 601.9, 601.10, and 601.11.

Publication 52, *Hazardous, Restricted, and Perishable Mail*, contains additional clarification and further describes the conditions of preparation and packaging under which the Postal Service accepts for mailing potentially harmful matter that is otherwise nonmailable. Publication 52 also contains detailed information on the mailability of specific hazardous materials. The *DMM* and Publication 52 are available online:

- a. To access the *DMM*, go to <http://pe.usps.com> and click on Domestic Mail Manual (*DMM*).
- b. To access Publication 52, go to www.usps.com; click on *About USPS & News*, then *Forms & Publications*, then *Postal Periodicals and Publications*, then *Publications*, and then scroll down to the entry for Publication 52.

Refusal of Items

A Postal Service employee may refuse to accept an article from a USPS-Approved Shipper if the article is or appears to be nonmailable.

A USPS-Approved Shipper employee may refuse to accept an article from their customer if the content of the article is described by the customer to be, or is otherwise revealed to be, nonmailable.

Other Laws and Regulations

Particular matter may be mailable under Postal Service statutes and regulations, but customers may have responsibilities under nonpostal statutes and regulations concerned with possession, treatment, transmission, or transfer of such matter — e.g., 49 CFR 100-185 (Department of Transportation Regulations); the Comprehensive Drug Abuse Prevention and Control Act of 1970 (Public Law 91-513), 21 USC 801, et seq.; and the Gun Control Act of 1968 (Public Law 90-618), 18 USC 921, et seq.

Hazardous Materials

Harmful matter also includes regulated hazardous materials (as defined in *DMM* 601.10) that are likely to harm Postal Service employees or to destroy, deface, or otherwise damage mail or Postal Service equipment. This includes materials such as the following:

- a. Caustic poisons (acids and alkalies), oxidizers, or highly flammable liquids, gases, or solids.
- b. Materials that are likely, under conditions incident to transportation, to cause fires through friction, absorption of moisture, or spontaneous chemical changes or from retained heat from manufacturing or processing, including explosives or containers previously used for shipping high explosives with a liquid ingredient (such as dynamite), ammunition, fireworks, radioactive materials, matches, or articles emitting obnoxious odors

6 Mail Collection and Security

Collection

Collection of mail from a USPS Approved Shipper will be made when the mail is delivered. An additional later collection may be scheduled locally when necessary.

A scheduled collection time may be provided at the discretion of the local Post Office. The scheduled time will be determined by the USPS Approved Shipper's serving Post Office.

Security of Letters and Packages

The USPS Approved Shipper is to secure all items accepted in a storage area that is not in view of or accessible to the general public.

The USPS Approved Shipper is expected to maintain and preserve the sanctity of items to be entered into the mail.

The USPS Approved Shipper will exercise due diligence to ensure that appropriate security procedures are in place to protect items to be entered into the mail.

The USPS Approved Shipper must report all matters of security breaches and tampering to the local Postal Official in charge immediately upon identifying an occurrence.

7 Signage

The USPS Approved Shipper start-up kit includes the following four display items, which the USPS Approved Shipper must display immediately upon receipt in a prominent location to be seen by customers at the point of sale:

- a. Domestic Counter card (8-1/2" x 11"). Display on retail counter. See Exhibit 7-1 for an image of this item.
- b. Domestic and International Counter card (8-1/2" x 11"). Display on retail counter. See Exhibit 7-2 for an image of this item.
- c. Window Cling (8-1/2" x 11"). Display on exterior window or door. See Exhibit 7-3 for an image of this item.
- d. Menu Board (18" x 26"). Display in a prominent location. See Exhibit 7-4 for an image of this item.

Exhibit 7-1

Domestic Countercard

Ship USPS® Packages Here



Express Mail®
Priority Mail®
 with Delivery Confirmation™ service
 with Insurance
 with Signature Confirmation™ service

International Shipping
 Express Mail International®
 Priority Mail International®



For a full range of mailing services, visit your local Post Office™.

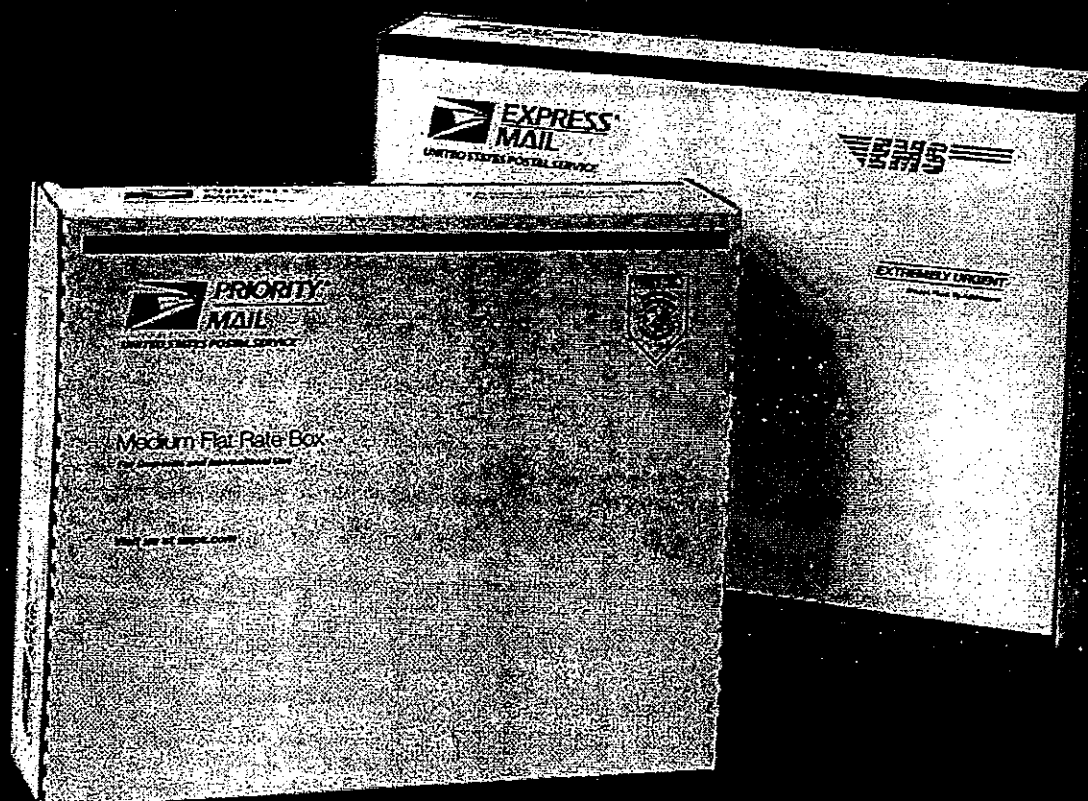
© United States Postal Service 2009

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Exhibit 7-2

Domestic and International Countercard

Ship USPS® Packages Here



Express Mail®

First-Class Mail® service
add Certified Mail™

Priority Mail® service
with Delivery Confirmation™
with Insurance
with Signature Confirmation™

For a full range of mailing services, visit your local Post Office™.

© United States Postal Service 2009

Eagle logo is a registered trademark of the U.S. Postal Service

Exhibit 7-3
Window Cling



Exhibit 7-4

Menu Board

Ship USPS® Packages Here

Express Mail®

Priority Mail®

with Delivery Confirmation™

with Insurance

with Signature Confirmation™

International Shipping

Express Mail International®

Priority Mail International®



For a full range of mailing services, visit your local Post Office®

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8 Online Resources for USPS Approved Shipper Locations

This chapter contains information about online resources for USPS Approved Shipper locations, as shown in the following exhibits:

- a. Exhibit 8-1, Prices, Zone Charts, and Postage Statements
- b. Exhibit 8-2, Mailing Standards
- c. Exhibit 8-3, Addressing Products, Certified Vendors, Polywrap
- d. Exhibit 8-4, Publications
- e. Exhibit 8-5, Postal Service Facilities and Networks

Exhibit 8-1

Prices, Zone Charts, and Postage Statements

Information	Description	Site and Selection
Domestic Prices and Fees	Domestic prices are available in PDF (read-only), HTML, and in downloadable files.	Postal Explorer at http://pe.usps.com ■ Domestic Mail – “Notice 123, Price List” www.usps.com/prices
International Prices and Fees	General mailing information and international prices for most international services are available in PDF (read-only) and HTML.	Postal Explorer at http://pe.usps.com ■ International Mail www.usps.com/prices
Price Calculators	Interactive domestic and international price calculators are available for modeling or estimating postage costs.	Postal Explorer at http://pe.usps.com ■ Price Calculators [left column] www.usps.com/prices
Postal Zone Charts	Interactive zone charts are available for computing postage on zoned mail such as Periodicals.	Postal Explorer at http://pe.usps.com ■ “Zone Charts” [left column] www.usps.com/prices

Exhibit 8-2

Mailing Standard

Information	Description	Site and Selection
Mail Classification and Preparation: ■ <i>Domestic Mail Manual</i> ■ <i>International Mail Manual</i>	The Postal Explorer web site provides up-to-the minute domestic and international mailing information. You can access Domestic Mail Manual 200, <i>A Guide to Mailing for Businesses and Organizations</i> ; <i>Domestic Mail Manual</i> (updated monthly); the <i>International Mail Manual</i> (updated biweekly); Quick Service Guides; zone charts; and many other publications on mailpiece design, addressing standards, and nonprofit eligibility.	Postal Explorer at http://pe.usps.com ■ Domestic Mail – “Domestic Mail Manual (DMM)” ■ International Mail – “International Mail Manual (IMM)”
Customer Support Rulings	<i>Customer Support Rulings</i> clarify the meaning of certain standards in the <i>Domestic Mail Manual</i> .	Postal Explorer at http://pe.usps.com ■ Domestic Mail – “Customer Support Rulings”

Exhibit 8-3

Addressing Products, Certified Vendors, Polywrap

Information	Description	Site and Selection
Address Change Service (ACS)	This site provides information on ACS, a system that meets the needs of business mailers with a cost-effective and efficient means of obtaining accurate change-of-address (COA) information electronically.	RIBBS at http://ribbs.usps.gov [left column] ■ "Address Change Service"
Computerized Delivery Sequence (CDS)	This site provides information on the CDS File, a 5-digit ZIP Code based electronic product that provides and updates delivery sequence address information by carrier route for qualified mailers.	RIBBS at http://ribbs.usps.gov [left column] ■ "CDS Qualification"
Labeling Lists	This site provides information and order forms to subscribe to updated electronic versions of the <i>Domestic Mail Manual</i> labeling lists used for the sortation of mail.	Postal Explorer at http://pe.usps.gov ■ "Domestic Mail Manual"
Mailpiece Quality Control (MQC)	This site provides information on MQC, a Postal Service certification program for mailpiece design for mailers and their employees. The course incorporates a self-study guide and a final exam.	Postal Explorer at http://ribbs.usps.gov [left column] ■ "Mailpiece Design"
Manifest Analysis and Certification (MAC)	This site provides publications on MAC, list of certified MAC vendors, and a list of certified MAC Gold mailers.	RIBBS at http://ribbs.usps.gov [left column] ■ "MAC"
Polywrap	This site presents a current list of approved polywrap and polywrap manufacturers.	RIBBS at http://ribbs.usps.gov [left column] ■ "Polywrap Manufacturers"
Presort Accuracy Validation and Evaluation (PAVE)	This site provides information about the PAVE program, publications, and electronic files, as well as PAVE conferences.	RIBBS at http://ribbs.usps.gov [left column] ■ "PAVE"
Vendor Information	This site provides extensive lists of various types of vendors offering certified products and services for mail preparation including CASS/MASS products, Confirmation services, MAC products, NCOA, and PAVE.	RIBBS at http://ribbs.usps.gov [left column] ■ "Vendor Information"

Exhibit 8-4

Publications

Information	Description	Site and Selection
<i>Federal Register</i>	<p>Proposed and final rules published by the Postal Service are posted on the Rapid Information Bulletin Board System (RIBBS).</p> <p>These documents provide notice of proposed and final changes to mail preparation standards, public meetings, and other official announcements.</p>	<p>RIBBS at http://ribbs.usps.gov [left column]</p> <p>■ "Federal Register Notices"</p>
<i>Postal Bulletin</i>	<p>The <i>Postal Bulletin</i> is the official source of updates to Postal Service policies and procedures. This biweekly publication is available online and in paper. It includes advance notices of updates, time-sensitive instructions, and other business information.</p> <p>The <i>Postal Bulletin</i> also includes the text of revisions to the standards in the <i>Domestic Mail Manual</i> and the <i>International Mail Manual</i>. The online version is fully searchable.</p>	www.usps.com/cpim/ftp/bulletin/pb.htm
<i>MailPro</i>	<p>The <i>MailPro</i> is a free bi-monthly newsletter for business mailers and Postal Service personnel. This newsletter presents information on <i>Domestic Mail Manual</i> revisions, classification changes, mail processing, address management, and other mailing topics.</p> <p>It is available online or by hard copy. To subscribe, mail or fax your name, title, company name, completed delivery address, and daytime telephone number to:</p> <p>MAILPRO US POSTAL SERVICE 6060 PRIMACY PKWY STE 201 MEMPHIS TN 38188-0001 Fax: (901) 681-4582</p>	http://ribbs.usps.gov

Exhibit 8-5

Postal Service Facilities and Networks

Information	Description	Site and Selection
Business Mail Entry (BME) Offices	These offices can answer questions on prices, mail preparation, mailpiece design, and mail classification. A locator lookup tool provides the address, telephone number, and fax number of each district BME office by ZIP Code.	www.usps.com/ncsc/locators/find-bme.html
Pricing and Classification Service Center (PCSC)	This center provides national mailers with guidance and support on mail preparation, mail piece design, prices eligibility, and issue classification decisions on proposed mailings before being presented at the Business Mail Entry units.	http://pe.usps.gov [left column] ■ "PSCS"
Post Offices	Post offices and stations and branches provide various levels of service and customer support. A locator lookup tool provides the address and telephone number of Post Offices and postal facilities near a specific address.	www.usps.com
Bulk Mail Center (BMC) Network	The bulk mail center page provides information about the national bulk mail center network, transportation, and drop shipment scheduling, critical entry times, and the address and telephone number of each BMC and each auxiliary service facility (ASF).	www.usps.com/bulkmailcenters

**RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS BOLDT
TO QUESTION POSED DURING ORAL CROSS-EXAMINATION**

Tr. Vol. 1, page 403, Line 12

VICE CHAIRMAN ACTON: Okay. And my last question on this right now is that earlier Commissioner Langley talked about – well, we are trying to get a gauge here for how compromised the present service will be or not by the new alternative access service. And you mentioned that 85 percent of the transactions according to your information are the sale of stamps, I believe?

THE WITNESS: Postage, yes.

VICE CHAIRMAN ACTON: But that is a universe that is not restricted to these offices at hand?

THE WITNESS: No, as we said, it was a subset. This group is a subset.

VICE CHAIRMAN ACTON: Okay. Ideally, it 2 would be helpful to have that same percentage, but for only these offices, because one thing that we have experienced here is that what is applicable on a larger scale doesn't always apply for another subset. Is that sort of information gainable?

RESPONSE

As indicated in USPS Library References N2011-1/17 and N2011-1/NP11, postage purchase transactions represent slightly under 85 percent of all walk-in retail revenue at the 3650 RAO Initiative candidate facilities.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 1**

14. Please refer to USPS-T-1 at page 12. The witness provides a chart showing "proximity to the nearest Post Office [that] is based off of geographic coordinate distance, rather than driving distance." Please provide a data file with the actual driving distances to the nearest alternate retail location for each facility under consideration.

RESPONSE

See Library References USPS-LR-N2011-1/12 and USPS-LR-N2011-1/NP7.

RESPONSE OF UNITED STATES POSTAL SERVICE TO
PRESIDING OFFICER'S INFORMATION REQUEST No. 3

8. Please provide a spreadsheet that includes, for each Postal Service-operated retail facility by finance number consistent with those previously submitted, the following information:²
- a. The total number of post office boxes located at the facility;
 - b. The number of rented post office boxes located at the facility;
 - c. The number of customers on a waiting list to rent a post office box at the facility;
 - d. The number of retail windows in each facility; and
 - e. The number of clerical employees operating the registers (these could be Clerks or Postmasters, for example) at each facility.

RESPONSE:

a-e. See Library References USPS-LR-N2011-1/14 and USPS-LR-N2011-1/NP9.

² The Postal Service has indicated that compiling cost and revenue data for stations and branches requires a time-consuming manual culling process. Objections of the United States Postal Service to Interrogatories APWU/USPS-T-1-1(d&e) and T1-2 (August 22, 2011) at 6. To the extent that compiling the requested data is similarly burdensome, the Postal Service may substitute available data (for example, data compiled in Docket No. N2009-1), or omit data for stations and branches if none is readily available.

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Retail Access Optimization Initiative, 2011

Docket No. N2011-1

DESIGNATION OF WRITTEN CROSS-EXAMINATION
OF UNITED STATES POSTAL SERVICE

<u>Party</u>	<u>Interrogatories</u>
American Postal Workers Union, AFL-CIO	CSRL/USPS-1, 4, 8, 12 DBP/USPS- 14, 24-25, 39, 45-46, 50-52 NAPUS/USPS-T1-36, 40, 42, 45, redirected from Boldt NLP/USPS-1-14, 17-26, 28-31 PR/USPS-7, 15 PRC/USPS-POIR No. 3 – Q. 1-6 PRC/USPS-POIR No. 4 – Q. 1-5
National Newspaper Association	NNA/USPS-T1-1-16 redirected to USPS
National League of Post Masters	DBP/USPS-2-5,7-9,17,20-22, 27-28, 31,33-34, 36, 38, 41-42, 47-49, 53-58, 61-71, 73-76
Postal Regulatory Commission	CSRL/USPS-1, 4, 8, 12 DBP/USPS-2-5, 7-9, 14, 17, 20-22, 24-25, 27-28, 31, 33-34, 36, 38-39, 41-42, 45-46, 47-58, 61-71, 73-76 NAPUS/USPS-T1-36, 40, 42, 45 redirected to USPS NLP/USPS-1-14, 17-26, 28-31 NNA/USPS-T1-1-16 redirected to USPS PR/USPS-7, 15 PRC/USPS-POIR No. 2 – Q. 12 PRC/USPS-POIR No. 3 – Q. 1-6 PRC/USPS-POIR No. 4 – Q. 1-5

PartyInterrogatories

VP/USPS-1-4

VP/USPS-T1-1, 3, 7, 9-10, redirected to USPS

Response of United Postal Service Witness
Granholm to a Question Posed by Chairman
Goldway During Cross Examination on September
8, 2011 (Tr. Vol. 1, Page 613, Line 21)

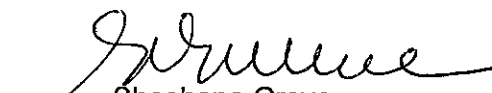
Response of United Postal Service Witness
Granholm to a Question Posed by Vice-
Chairman Acton and Chairman Goldway During
Cross Examination on September 8, 2011 (Tr. Vol.
1, Page 608, Line 6)

Valpak Direct Marketing Systems,
Inc. and Valpak Dealers' Association
Inc.

VP/USPS-1-4

VP/USPS-T1-1-3, 7, 9-10, redirected to USPS

Respectfully submitted,



Shoshana Grove
Secretary

INTERROGATORY RESPONSES OF
UNITED STATES POSTAL SERVICE
DESIGNATED AS WRITTEN CROSS-EXAMINATION

Interrogatory

Designating Parties

CSRL/USPS-1	APWU, PRC
CSRL/USPS-4	APWU, PRC
CSRL/USPS-8	APWU, PRC
CSRL/USPS-12	APWU, PRC
DBP/USPS-2	PRC, NLP
DBP/USPS-3	PRC, NLP
DBP/USPS-4	PRC, NLP
DBP/USPS-5	PRC, NLP
DBP/USPS-7	PRC, NLP
DBP/USPS-8	PRC, NLP
DBP/USPS-9	PRC, NLP
DBP/USPS-14	APWU, PRC
DBP/USPS-17	PRC, NLP
DBP/USPS-20	PRC, NLP
DBP/USPS-21	PRC, NLP
DBP/USPS-22	PRC, NLP
DBP/USPS-24	APWU, PRC
DBP/USPS-25	APWU, PRC
DBP/USPS-27	PRC, NLP
DBP/USPS-28	PRC, NLP
DBP/USPS-31	PRC, NLP
DBP/USPS-33	PRC, NLP
DBP/USPS-34	PRC, NLP
DBP/USPS-36	PRC, NLP
DBP/USPS-38	PRC, NLP
DBP/USPS-39	APWU, PRC
DBP/USPS-41	PRC, NLP
DBP/USPS-42	PRC, NLP
DBP/USPS-45	APWU, PRC
DBP/USPS-46	APWU, PRC
DBP/USPS-47	PRC, NLP
DBP/USPS-48	PRC, NLP
DBP/USPS-49	PRC, NLP
DBP/USPS-50	APWU, PRC

InterrogatoryDesignating Parties

DBP/USPS-51	APWU, PRC
DBP/USPS-52	APWU, PRC
DBP/USPS-53	PRC, NLP
DBP/USPS-54	PRC, NLP
DBP/USPS-55	PRC, NLP
DBP/USPS-56	PRC, NLP
DBP/USPS-57	PRC, NLP
DBP/USPS-58	PRC, NLP
DBP/USPS-61	PRC, NLP
DBP/USPS-62	PRC, NLP
DBP/USPS-63	PRC, NLP
DBP/USPS-64	PRC, NLP
DBP/USPS-65	PRC, NLP
DBP/USPS-66	PRC, NLP
DBP/USPS-67	PRC, NLP
DBP/USPS-68	PRC, NLP
DBP/USPS-69	PRC, NLP
DBP/USPS-70	PRC, NLP
DBP/USPS-71	PRC, NLP
DBP/USPS-73	PRC, NLP
DBP/USPS-74	PRC, NLP
DBP/USPS-75	PRC, NLP
DBP/USPS-76	PRC, NLP
NAPUS/USPS-T1-36 redirected to USPS	APWU, PRC
NAPUS/USPS-T1-40 redirected to USPS	APWU, PRC
NAPUS/USPS-T1-42 redirected to USPS	APWU, PRC
NAPUS/USPS-T1-45 redirected to USPS	APWU, PRC
NLP/USPS-1	APWU, PRC
NLP/USPS-2	APWU, PRC
NLP/USPS-3	APWU, PRC
NLP/USPS-4	APWU, PRC
NLP/USPS-5	APWU, PRC
NLP/USPS-6	APWU, PRC
NLP/USPS-7	APWU, PRC

InterrogatoryDesignating Parties

Response of United Postal Service Witness Granholm to a
Q. uestion Posed by Vice-Chairman Acton and
Chairman Goldway During Cross Examination on
September 8, 2011 (Tr. Vol. 1, Page 608, Line 6)

PRC

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CENTER FOR STUDY OF RESPONSIVE LAW INTERROGATORY
REDIRECTED FROM WITNESS BOLDT**

CSRL/USPS-1. In the document, "Request of the United States Postal Service for an Advisory Opinion on Changes in the Nature of Postal Services," the USPS refers to 3,652 post offices, branches, and stations that will be studied for possible closure or consolidation (lines 12 through 27 of page 5 and lines 1 through 10 of page 6). Please provide the Center for Study of Responsive Law with a list of the specific criteria that will be used to determine the subset of the 3,652 post offices being studied under the Research Access Optimization Initiative (RAOI) that will be recommended for closure or consolidation.

RESPONSE:

Please review USPS-T-1 at pages 14-17. Then, also review USPS Handbook PO-101, which has been filed as USPS Library Reference N2011-1/1.

N2011-1

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CENTER FOR STUDY OF RESPONSIVE LAW INTERROGATORY
REDIRECTED FROM WITNESS BOLDT**

CSRL/USPS-4. In the document, "Request of the United States Postal Service for an Advisory Opinion on Changes in the Nature of Postal Services," the USPS concedes that the scope of changes that result from this initiative may be "substantially nationwide" (lines 4 through 7 of page 2). The USPS also acknowledges that it cannot estimate the actual scope of potential service changes in the same document (lines 1 and 2 of page 2). In Title 39 of the U.S. Code, Part I, Chapter 1, Section 101(b) states that: "...The Postal Service shall provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining." Further, in Title 39 of the U.S. Code, Part I, Chapter 4, Section 404(d)(2)(A)(i through iii) states "The Postal Service, in making a determination whether or not to close or consolidate a post office – (A) shall consider – (i) the effect of such closing or consolidation on the community served by such post office; (ii) the effect of such closing or consolidation on employees of the Postal Service employed at such office; (iii) whether such closing or consolidation is consistent with the policy of the Government, as stated in section 101(b) of this title, that the Postal Service shall provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self sustaining;..."

- (a.) How, then, does the USPS expect the closure or consolidation of even a single post office, branch, or station to impact a community's or consumer's ability to make use of the postal service?
- (b.) Would the closure or consolidation of a single post office, branch, or station not negatively impact a community's or consumer's ability to make use of the postal service?
- (c.) How would a closure or consolidation impact an employee of the post office?
- (d.) How would a closure or consolidation impact the provision of a "maximum degree of effective and regular postal services to rural areas, communities, and small towns..."?
- (e.) Does the USPS reasonably expect that the closure or consolidation of even a single post office, station, or branch would not negatively impact any of the three considerations, listed above, that Title 39 of the U.S. Code requires the USPS to consider in the closure or consolidation of post offices, branches, or stations?

RESPONSE:

- (a) The discontinuance of a particular retail facility will require some customers to obtain postal products and services, in the absence of that facility, through a mix of options including nearby postal retail facilities and alternate access channels.
- (b) See the response to subpart (a). The degree to which a change is perceived as "negative" will depend on the nature of the change and will vary on the basis of the personal circumstances and perspectives of individual customers.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CENTER FOR STUDY OF RESPONSIVE LAW INTERROGATORY
REDIRECTED FROM WITNESS BOLDT**

- (c) Subject to the terms of existing personnel policies and applicable collective bargaining agreements, discontinuance of a postal retail location may result in employees at the discontinued facility being offered opportunities to continue employment in available positions elsewhere within the Postal Service, should such positions exist.
- (d) It would result in fulfillment of that obligation through a different mix of available postal retail locations and alternate access channels than existed before the discontinuance.
- (e) The Postal Service is not foreclosed from implementing the discontinuance of a retail facility either because it would result in: (1) some customers having less convenient access to some of its products and services, or (2) the obligation to provide service in the affected rural community or small town being pursued through a combination of sources including a nearby retail facility and alternate access channels, or (3) an adverse impact on the employment status of a current postal employee. See also, responses to Presiding Officer's Information Request No. 2, questions 3, 9, and 15.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CENTER FOR STUDY OF RESPONSIVE LAW INTERROGATORY
REDIRECTED FROM WITNESS BOLDT**

CSRL/USPS-8. Have there been any studies on the impact of the RAOI – and potential post office, branch, or station closures or consolidations that may result – on the delivery of medicine in the event of a natural disaster, terrorist activity, or other disruption of travel? If so, please provide the Center for Study of Responsive Law with the study and its findings.

RESPONSE:

Please see the response to CSRL/USPS-6. In the absence of a perceived need, no studies of the nature described in this question have been conducted.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO CENTER FOR STUDY OF RESPONSIVE LAW INTERROGATORY
REDIRECTED FROM WITNESS BOLDT**

CSRL/USPS-12. Title 39 of the U.S. Code, Part I, Chapter 4, Section 404(d)(2)(A)(i)

states: "The Postal Service, in making a determination whether or not to close or consolidate a post office – (A) shall consider – (i) the effect of such closing or consolidation on the community served by such post office..."

- (a.) Has the USPS considered the impact of the closure or consolidation of a post office, branch, or station may have on the economic development of the surrounding community in conjunction with its consideration, development, and/or implementation of the RAOI?
- (b.) If the answer to CSRL/USPS-12(a) is yes, what has the USPS found? Please provide the Center for Study of Responsive Law with any and all specific information regarding the negative (or positive) effects on the economic development of surrounding communities expected from any and all specific post office, branch, or station closures or consolidations studied. If specific information is unavailable, but general studies of this effect have taken place, please provide this information instead.
- (c.) In the studies taking place as a part of the RAOI, how is the USPS measuring possible economic development impacts on the communities that surround post offices, branches, or stations being considered for closure or consolidation (as referenced in the document, "Request of the United States Postal Service for an Advisory Opinion on Changes in the Nature of Postal Services," the USPS refers to 3,652 post offices, branches, and stations that will be studied for possible closure or consolidation (lines 12 through 27 of page 5 and lines 1 through 10 of page 6))?

RESPONSE:

- (a-c) Such matters were not studied in determining whether to pursue the RAO Initiative. In response to the solicitation for public comment on a proposed discontinuance, local residents are free to offer comments related to economic development of the surrounding community. Those comments will be considered before any final decision is made and given such weight as deemed appropriate in the circumstances of each discontinuance review. The Postal Service does not prepare estimates of economic development impact as part of each discontinuance review. Nor has it performed or commissioned such studies on a more global level.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-2

Please provide a listing of the scenarios under which a customer who receives mail delivery at a facility that is discontinued or consolidated will not be able to continue to use their existing address.

RESPONSE

See the response to DBP/USPS-1.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-3

- [a] Will the Postal Service take into account the effect on customers who will be required to change their address as a result of the discontinuance or consolidation of a facility?
- [b] If not, why not?

RESPONSE

Yes. See the response to DBP/USPS-1.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-4

Please provide a listing of the actions it believes will be necessary on the part of a customer who is unable to maintain their existing address as a result of the discontinuance or consolidation of a facility.

RESPONSE

Please see the response to DBP/USPS-1. In order for customers who experience a change of delivery address to minimize any disruption in mail delivery, it is advisable that such customers inform correspondents of their new delivery address and a date on which the change is expected to take effect.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-5

Please confirm, or explain if you are unable to confirm, that the listing provided in the Library Reference consists of independent post offices and classified stations/branches.

RESPONSE

Confirmed.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-7

The Postal Service utilizes the term "alternate access site" in determining those facilities to be studied for discontinuance of a facility. A "Stamp Consignment Location" is included in that definition.

- [a] Please provide a listing of those postal services that are available at an independent post office or classified station/branch that are not available at a stamp consignment location.
- [b] Please provide a listing of those postal services that are available at a stamp consignment location that are not available at an independent post office or classified station/branch.

RESPONSE

Please see the attachment to the response to DBP/USPS-6.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-8

The Postal Service utilizes the term "alternate access site" in determining those facilities to be studied for discontinuance of a facility. A "Contract Postal Unit" is included in that definition.

- [a] Please provide a listing of those postal services that are available at an independent post office or classified station/branch that are not available at a Contract Postal Unit
- [b] Please provide a listing of those postal services that are available at a Contract Postal Unit that are not available at an independent post office or classified station/branch.

RESPONSE

Please see the attachment to the response to DBP/USPS-6.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-9

Please confirm, or explain if you are unable to confirm, that the criteria of being within a certain distance of at least five alternate access sites will be satisfied regardless of the type of alternate access site involved.

RESPONSE

Confirmed.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-14

Please explain the rationale for choosing each of the criteria [the dollar amounts of revenue, the distances to and number of the alternate access sites, etc.] for inclusion on the list of facilities to be studied.

RESPONSE

Please see the responses to DBP/USPS-10, 11(a&b), 12 and 13. As emphasized there, other reasonable criteria could have been selected, but might have generated more or fewer candidate facilities to review for discontinuance.

The RAO Initiative requires the Postal Service to use its recently amended discontinuance process on an accelerated basis. It seems prudent to ensure that the scope of the RAO Initiative is manageable while local discontinuance review personnel adjust to the new procedures while balancing their RAO Initiative duties with other day-to-day responsibilities.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-17

If a facility that is being studied for discontinuance or consolidation is determined to justify the discontinuance or consolidation, is it an all or nothing requirement or will it be possible to terminate only some of the functions [such as retail window service, post office box service, carrier operation, etc.] at the facility?

RESPONSE

The RAO Initiative is focused on determining whether to discontinue all retail operations at candidate facilities. If retail operations are the exclusive function of a facility, then discontinuance of retail operations at that location will result in all operations being discontinued at that location.

Outside of the scope of the RAO Initiative, it is possible that a determination could be made to relocate carrier operations at a facility that also provides retail service. Similarly, outside the RAO Initiative, a local determination could be made to relocate all or part of a Post Office Box section to a nearby facility.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-20 A picture of a potential Village Post Office shows a blue collection box in front of the facility.

- [a] Is it the intention of the Postal Service to provide a blue collection box at each of the Village Post Offices?
- [b] If not, why not?
- [c] What provisions will be made for collecting mail from this box?
- [d] What final collection times will be required for these blue collection boxes?
- [e] Please provide the changes that will be made to the collection requirements provided in the Postal Operations Manual.

RESPONSE

- (a-c) See the response to POIR 1, Question 10.
- (d) Should a collection box be established outside the premises of a commercial retail location that operates a VPO, the box would be subject to collection in accordance with existing policies.
- (e) No changes are being contemplated at this time in relation to VPOs.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-21

- [a] Is it the intention of the Postal Service to provide a blue collection box at each of the Alternate Access Sites?
- [b] If not, why not?
- [c] What provisions will be made for collecting mail from this box?
- [d] What final collection times will be required for these blue collection boxes?
- [e] Please provide the changes that will be made to the collection requirements provided in the Postal Operations Manual.

RESPONSE

- (a) If by alternate access sites, you are referring to all non-postal alternate access channels, the answer is negative.
- (b) Current policy does not reflect a universal requirement. No change in current policy is being contemplated in connection with the RAO Initiative as none is deemed necessary.
- (c) In light of the response to subparts (a) and (b), the reference to "this box" is not clear.
- (d) See the response to subpart (c). The reference to "these boxes" is not clear.
- (e) See the response to subpart (b).

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-22

- [a] Is it a requirement of the Postal Service to provide a blue collection box at each of its postal facilities that are not in the category of an Alternate Access Site?
- [b] If not, why not?
- [c] What provisions will be made for collecting mail from this box?
- [d] What final collection times will be required for these blue collection boxes?

RESPONSE

- (a-b) For purposes of this question, it is assumed that facilities operated by the Postal Service are not "alternate access sites." There is no policy requiring that a blue collection box be erected at the site of each facility the Postal Service operates; however, they are required at all Cost Ascertainment Group A-K Post Offices and at all classified stations and branches.
- (c-d) The references to "this box" and "these" boxes are not sufficiently clear for responses to these questions to be attempted.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-24

- [a] Please describe the type and extent of training that is provided to a retail window clerk at a post office.
- [b] Please describe the type and extent of training that will be provided to an operator at each of the different types of Alternate Access Sites including a Village Post Office.

RESPONSE

Post Office retail window clerks are provided such training as is sufficient to enable them to sell and provide the various services and products listed in response to DBP/USPS-6. It is reasonable to expect this training to be more extensive than that experienced by personnel at alternative access sites, whose training will vary on the basis of the range of services provided at their locations. For example, one should expect that a Contract Postal Unit employee will require more "postal" training than an Approved Shipper, whose training will tend to be more extensive than a VPO employee who, in turn, will require more training than a cashier at a retail store that only sells Forever Stamps on consignment.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-25

Please describe the training and oaths that are required of all employees, contractors, and operators that have custody of the mail with respect to the security of the mail and sanctity of First-Class Mail.

RESPONSE

It is irrelevant to the advisory opinion request in this docket whether: (a) upon employment, postal employees take an oath that specifically addresses the security or sanctity of First-Class Mail; or (b) any similar oath is administered to employees of an Approved Shipper that accepts First-Class Mail or a FedEx pilot who transports First-Class Mail. Accordingly no research has been undertaken on this issue.

Postal employees and parties who take custody of mail in accordance with contractual arrangements with the Postal Service are informed by the Postal Service of the security to be afforded First-Class Mail and the private nature of its content. The specific nature of the information communicated to these persons is not relevant to issues raised by the request in this docket. Accordingly, no description of the "training" or other transmission of that information is being provided.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-27 The Postal Service utilizes the term "Village Post Office".

[a] Please provide a listing of those postal services that are available at an independent post office or classified station/branch that are not available at a Village Post Office.

[b] Please provide a listing of those postal services that are available at a Village Post Office that are not available at an independent post office or classified station/branch.

RESPONSE

(a-b) Please compare the information provided in response to DBP/USPS-6 to the information provided in response to Question 10 of POIR 1.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-28 Assume the scenario where Post Office A is discontinued or consolidated and its delivery functions [post office box and carrier delivery, if any] are transferred to Post Office B such that the customer will utilize a post office box physically located at Post Office B or be served by a delivery carrier on a route now originating at Post Office B. Further assume that the customer's original address had a last line of "Town A, NJ 07688".

- [a] Please advise whether it will be possible for the customer to maintain their same address that they had before the discontinuance or consolidation of Post Office A, namely a last line of "Town A NJ 07688" and also maintain the rest of the address the same. The processing plant will be programmed to send mail addressed to Town A NJ 07688 physically to Post Office B [ZIP Code 07633] where employees of Post Office B will place this mail in the box section for the transferred customers as well as having the carriers deliver the mail on routes originating at Post Office B.
- [b] If so, will the Postal Service utilize this procedure of making the change transparent to the customers of Post Office A?
- [c] If not, why not?

RESPONSE

- (a) It will be possible in this hypothetical if the Postal Service adopts policies and procedures to make it possible in that circumstance.
- (b) In the hypothetical you pose, that will be a possibility.
- (c) N/A

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-31 Please refer to your response to Interrogatory DBP/USPS-15. Please provide the specific section of USPS Handbook PO-101 that specifies the number of Alternate Access Sites that are to be considered in the determination of including a facility for evaluation.

RESPONSE

Please review the following quotations from the response to DBP/USPS-15:

First:

[T]he existence of five alternate access locations (including postal retail sites) within a specified proximity of a postal retail location subject to discontinuance review is only a factor in determining whether it is a candidate for discontinuance review as part of the RAO Initiative.

Then:

There is no specific number of nearby alternate access sites that serves as a controlling factor in the USPS Handbook PO-101 process used to determine whether to discontinue operation of a retail facility.

That response does not imply that the PO-101 was a source of the determination to specify what number of alternate access sites needed to be within a specified proximity to a retail location for it to be a candidate for discontinuance under the RAO Initiative.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-33

- [a] Please confirm, or explain if you are unable to confirm, that the distances between facilities used in determining whether or not to evaluate a given facility for discontinuance or consolidation is based on geographic coordination distances, rather than driving distances.
- [b] Please confirm, or explain if you are unable to confirm, that this geographic coordination distance is also known as "airline distance" or "as the crow flies" and will always be less than or equal to the actual driving distance.
- [c] Please confirm, or explain if you are unable to confirm, that the actual driving takes into account the roads that exist and may be considerably more than the airline distance in the event of the existence of rivers or other bodies of water as well as other land features such as mountains between the two facilities.
- [d] Please confirm, or explain if you are unable to confirm, that the travel time for a given distance may be greater than expected in the event of poor road conditions and/or heavy traffic.

RESPONSE

- (a-b) See the response to PR/USPS-T1-6.
- (c) Assuming a variation between the geographic and driving distance between two points, and assuming airplanes always fly in straight lines at all times between all points, and assuming that two particular geographic points are not located on a perfectly straight road, then the degree to which variation exists between the airline distance and the driving distance between those two points depends on the availability of bridges and tunnels to traverse bodies of water and mountains, respectively.
- (d) Those conditions have been known to contribute to variances between expected and actual driving times.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-34

Assume the following scenario. Facilities A and B are located 5 miles apart with Facility A being due east of Facility B. Furthermore assume that a given customer of Facility A is 5 miles due east of Facility A and also assume that 5 miles is the longest distance that a customer should have to drive to obtain postal services. Please confirm, or explain if you are unable to confirm, that in the event that Facility A is discontinued or consolidated and Facility B is the nearest remaining service point, this customer will have to drive twice the acceptable distance.

RESPONSE

The hypothetical establishes five miles as "the longest distance the customer should have to drive to obtain postal services" and establishes any distance beyond this as not "acceptable."

The hypothetical appears to involve a customer with a car who, at all times, remains at least five miles from Facility A until he or she forms the intent to visit Facility A, and never otherwise gets within five miles of Facility B. In other words, the customer never, ever visits a neighbor, store, courthouse, gas station, place of employment, or other establishment within five miles of Facilities A or B, or otherwise passes Facilities A or B, while they are open, in the course of conducting other business or personal affairs. The hypothetical also assumes that the customer is unable or unwilling to take advantage of any alternate postal access channels.

The Postal Service confirms that 10 equals 5 times 2.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-36 Tables 1 and 2 of the Testimony show a truncated y- or vertical axis. Please provide a table with the same data except with the y- or vertical axis going all the way down to zero.

RESPONSE

No. Reasonable readers of both Tables clearly understand that the trend lines are fairly represented without reconfiguring the Tables to take three to four times as much space on each page.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-38

The Englewood NJ Post Office Annex 07631 is on the list of facilities being studied. There are at least four functions being conducted at that facility, namely: retail sales, post office boxes, carrier annex, mail dispatching to/from the P&DC.

- [a] Are there any other functions being conducted at this facility?
- [b] Which of the four or more functions being conducted at the facility are being studied for discontinuance or consolidation?

RESPONSE

- (a) The only activities relevant to the RAO Initiative under review in this docket that are listed in the preamble of this interrogatory are retail sales and Post Office box delivery.
- (b) The RAO Initiative is focused on the discontinuance of operations referenced in the response to subpart (a).

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DBP/USPS-39 The Postal Service has established various criteria for those facilities that are being considered for discontinuance or consolidation.

- [a] Does the listing of facilities being considered represent 100-percent of those facilities that meet the criteria?
- [b] If not, please advise the approximate number of facilities that are not on the list even though they meet the criteria for inclusion.
- [c] If not, please provide the reasons why these facilities were not included on the list.

RESPONSE

(a-c) The list is intended to identify the facilities that meet the criteria.

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DBP/USPS-41 Please refer to the response to Interrogatory PR/USPS-T1-13 subparts [a] through [e].

- [a] Please confirm, or explain if you are unable to confirm, that the response in each of these five subparts of "None." indicates that there are no facilities on the list for consideration for discontinuance or consolidation that are co-located with the type of unit/facility specified.
- [b] Please provide a similar response for an HCR delivery unit.
- [c] If your response to subpart [b] is also "None.", please confirm, or explain if you are unable to confirm, that all of the facilities on the list have only post office box delivery at their facility.

RESPONSE

- (a) That was the intent of the response.
- (b) It is not clear what an HCR delivery unit refers to. Mail delivery to other than Post Offices boxes, whether by letter carrier or highway contract driver, whether to a residential mail receptacle or a non-personnel unit, is a matter outside the scope of this proceeding, since no changes in carrier or HCR delivery service are being proposed. NPUs are not co-located with Post Offices, stations or branches.
- (c) N/A

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DBP/USPS-42 Please refer to your response to Interrogatory DBP/USPS-28. Since the hypothetical presented would be possible to utilize and would eliminate the inconvenience of the affected customers of a discontinuance or consolidation to have to go through the process of address change notification, please provide the conditions under which this concept would or would not be utilized.

RESPONSE

It could be utilized in circumstances deemed appropriate by the Postal Service on a case-by-case basis.

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DBP/USPS-45 Please refer to your response to Interrogatory DBP/USPS-30. Please explain why the revenue figure that was utilized in determining whether a specific facility is to be studied for discontinuance of consolidation is limited to revenue that requires interaction with or activity by retail window personnel who perform work associated with the mail or service in question.

RESPONSE

The objective was to focus on offices that could be determined to have "low earned workload" based on retail activity, as opposed to other activity not related to retail.

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DBP/USPS-46 Please refer to your response to Interrogatory DBP/USPS-32.

- [a] Please provide copies of any guidelines, either in the Domestic Mail Manual or at the Headquarters level, regarding whether or not retail window service should be provided on Saturdays.
- [b] Please confirm, or explain if you are unable to confirm, that if a facility that is discontinued or consolidated has Saturday retail window service and the Alternate Access Site being considered does not have Saturday service, the discontinuance will have an even greater effect on the customers of the discontinued facility.

RESPONSE

- (a) Postal Operations Manual section 126.412 states:

Window service is provided on Saturdays if there is a demonstrated need. At financial units serving business areas or facilities serving communities where residents leave on weekends, retail service may be closed if service is available at other postal units; at contract stations, or by self-service equipment. Postmasters must post signage informing customers of locations and hours of such services.

- (b) It could be perceived that way by those who depend significantly on the availability of Saturday postal retail hours at the discontinued site and are unable or unwilling to either adjust their postal retail habits or utilize alternative channels of access.

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DBP/USPS-47 Please refer to your response to Interrogatory DBP/USPS-20.

[a] Will any special consideration be given to the collection times since the collection box is located in front of a postal facility?

[b] If not, why not?

RESPONSE

Please again review the response to DBP/USPS-20. A VPO is a non-postal facility at which certain postal products and services can be obtained. Accordingly, a collection box in front of a VPO is not a collection box "in front of a postal facility."

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DBP/USPS-48 Please refer to your response to Interrogatory DBP/USPS-26. For a Village Post Office, does the Postal Service pay the contractor or receive payment from the contractor?

RESPONSE

Yes. Please see the response to Question 12 of POIR 1.

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DBP/USPS-49 Please refer to your response to Interrogatory DBP/USPS-27. Which of the columns in the chart provided in response to Interrogatory DBP/USPS-6 apply to the services provided by a Village Post Office? If necessary, please provide a separate chart showing the available services at a Village Post Office compared to an independent post office and classified station/branch. Furthermore, provide complete information when the full service of a given category is not provided such as the acceptance of Priority Mail Flat-Rate containers only or the sale of full "units" of Forever Stamps only.

RESPONSE

Please see the response to Question 10 of POIR 1.

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DBP/USPS-50

- [a] Under what circumstances does a delivery customer of an office that is discontinued or consolidated have to file a change of address if they want to receive mail addressed to their old address?
- [b] Is there a fee for filing this change of address?
- [c] What happens to the mail if the customer does not file a change of address?
- [d] What address correction services, such as Return Service Requested, are processed for this Change of Address?
- [e] If a change of address is filed, what classes of mail are forwarded free of charge?
- [f] If a change of address is filed, what classes of mail are forwarded postage due?
- [g] If a change of address is filed, what classes of mail are not forwarded?
- [h] Please advise how long mail will be forwarded and what happens to the mail after that time.
- [i] What is the delay, if any, in the time it takes for mail that is being forwarded to be delivered to the addressee at the new address when compared to the delivery of mail that is properly addressed to the new address?

RESPONSE

- (a) No changes to carrier delivery operations or delivery service to street addresses are within the scope of the ROA Initiative. Accordingly, it is assumed that the question is limited to changes within the scope of the Initiative that may affect delivery to a Post Office Box at a discontinued facility and the PO Box is being relocated to another postal retail or CPU or non-personnel unit or to a Village Post Office as a result of an RAO Initiative. In that context, it is also assumed that customer's mail is going to be delivered to a physical location other than the street address of their home or business, since neither would be the "old address." Generally the customer's address will remain the same requiring no submission of a Change-of-Address. An official Change-of-Address should only be filed

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when the customer physically moves out of the old street address or PO Box.

- (b-i) In accordance with Postal Operations Manual 682.22, guidelines for forwarding mail when there is a change in Post Office services are as follows:

Discontinued Post Office. All Express Mail, First-Class Mail, Periodicals, and Package Services and all single-piece-rate Standard Mail addressed to a discontinued Post Office may be forwarded without added charge to another Post Office that the addressee designates, when the addressee finds inconvenient the office to which the Postal Service ordered the mail sent.

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DBP/USPS-51

- [a] For the 2825 post offices with low workload or revenue that are being studied for discontinuance or consolidation, approximately what percentage of their post office boxes are no fee boxes?
- [b] Does the revenue foregone from these boxes count as imputed revenue for the facility?
- [c] If not, why not?

RESPONSE

- (a) Approximately 21 percent.
- (b) There is no fee applicable to free Group E boxes. Accordingly, no fee revenue is forgone.
- (c) See the response to subpart (b).

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DBP/USPS-52 [a] For the 2825 post offices with low workload or revenue that are being studied for discontinuance or consolidation, will the availability of alternate access be considered in the decision?

[b] If not, why not?

[c] If so, please explain how it will be taken into account including an indication of the maximum mileage a customer would have to travel to the alternate access point before it was considered excessive.

RESPONSE

- (a) Consideration of alternate access is part of the discontinuance review process in the USPS Handbook 101 that will be applied to the review of these facilities.
- (b) N/A
- (c) The range of postal products and services and their availability at accessible nearby postal retail locations and/or alternative access channels are considered. Local circumstances require flexibility in determining whether alternate sites are reasonably close to a facility under review for discontinuance.

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DBP/USPS-53 For each of the different categories of facilities that are being studied for discontinuance or consolidation, approximately what percentage of the transactions that take place would still be able to be transacted at each of the different types of alternate access facilities being considered. For example, the sale of 29¢ stamps at an independent post office could not be accomplished at an alternate access site that only sold Forever stamps.

RESPONSE

Please review the materials that have been provided in previous interrogatory responses that list the different transactions that can be conducted at postal retail facilities and the various alternate access channels. Taking into account your understanding of the various stamp denominations that are available at postal retail locations and the limited denominations available at some alternate access channels, you have all the information necessary to calculate such percentages.

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DBP/USPS-54. Please refer to your response to Interrogatory DBP/USPS-42. Under what circumstances would it be deemed appropriate to utilize the procedure specified in the original hypothetical and under what circumstances would it be deemed inappropriate to do so?

RESPONSE:

DPB/USPS-42 itself refers to DBP/USPS-28; both inquire into the circumstances where an address change can be avoided. The response that has been provided indicates that it would be a decision made in the context of a given discontinuance study. That remains true. Repeating the question does not mean that specific conditions can be identified when accommodation can or cannot be made. Nor does repetition make it possible to specify all of the conditions that would exemplify those found in a discontinuance study that has yet to be completed. Minimizing the disruption that can be a consequence of an address change is an affirmative Postal Service goal, but its actualization, if any, would be found (often many times) in the context of a specific discontinuance study.

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DBP/USPS-55. Please refer to your response to Interrogatory DBP/USPS-43 subparts [a] and [b].

[a] Please explain why the Approved Shipper is authorized to provide a receipt for a Certified mailpiece but not for a Certificate of Mailing.

[b] Please confirm, or explain if you are unable to confirm, that all Approved Shippers will accept all of the categories of mail listed in subpart [a] of the response.

RESPONSE:

Retail Access Optimization does not entail any product redefinitions.

(a) The answer to this question is already stated in the response to DBP/USPS-43(b).

(b) The response to DBP/USPS-43(a) already indicates that services described in its first line are not all offered by all Approved Shippers. Whether a particular Approved Shipper would or would not offer all of the services indicated in that response would be decision made based on circumstances present and discretion exercised by local officials.

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DBP/USPS-56. Please refer to your response to Interrogatory DBP/USPS-43 subparts [c] through [e].

The original Interrogatory refers to the ability to purchase all quantities of all denominations of postage stamps and not to the method by which an Approved Shipper applies postage to a mailpiece.

RESPONSE:

This interrogatory does not pose any question. To the extent DBP/USPS-56 may be construed as arguing that the previous response misunderstood the question, it is incorrect because the previous question asked about, and the response accordingly addresses, "postage" and not "stamps".

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DBP/USPS-57. Please refer to your response to Interrogatory DBP/USPS-43 subparts [f] and [g]. Subpart [f] of the original response refers to complimentary packaging and Subpart [g] refers to selling packaging. What type of packaging is sold?

RESPONSE:

The identified response already answers this question through its description of "majority sell some form of packaging." This description properly implies that various types of packaging are sold; since Approved Shippers are independent businesses, the choice of what to sell would presumably be made by respective sellers in consonance with their perceived business needs.

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DBP/USPS-58. Please refer to your response to Interrogatory DBP/USPS-44 subpart [b].

- [a] Approximately what percentage of all Consignment operations only sell Forever Stamp [or the corresponding denominated stamp] booklets?
- [b] Approximately what percentage of all Consignment operations only sell Forever Stamp [or the corresponding denominated stamp] rolls?
- [c] Approximately what percentage of all Consignment operations sell both Forever Stamp [or the corresponding denominated stamp] booklets and rolls?
- [d] Approximately what percentage of all Consignment operations sell other denominations or formats of stamps? Please provide details of what do sell.

RESPONSE:

(a-c) Retail Access Optimization has absolutely nothing to do with the forms in which Forever Stamps are sold by consignees: the point is that the many tens of thousands of consignees sell Forever Stamps to customers potentially affected by a discontinuance of a Postal Service operated retail facility. The form or forms of Forever Stamps that respective consignees choose to sell, and how the forms they may choose to sell change over time, presumably reflect consignee choices regarding what their customers prefer. In any event, this information is not readily available because the Postal Service itself has no business need for information in the form this interrogatory purports to express an interest in discovering.

(d) Zero.

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DBP/USPS-61. Please refer to USPS-LR-N2011-1/6.

- [a] Please advise the full heading for columns 4 through 8.
- [b] How was column 8 calculated?
- [c] What use is made of the value shown in column 8?
- [d] On what basis are the individual offices sorted in the printout?

RESPONSE:

Please see the response to DBP/USPS-60.

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DBP/USPS-62. On August 19, 2011, the Postal Service filed its NOTICE OF THE UNITED STATES POSTAL SERVICE which appears to serve the purpose of establishing Library Reference USPS-LR-N2011-1/4 which appears to be the public version of Library Reference USPS-LR-N2011-1/NP1. This filing consisted of nine separate PDF computer files. The Commission's website does not show a Library Reference 4 apparently because there does not appear to be a Library Reference 4 other than the statement in the last sentence of the Notice. Obviously, I do not have access to the non-public document which is referenced to as being replaced. There are a total of 3459 pages. Since there are no real headings on the various documents, I will reference them by the order that they appear in the Commission's Daily Listing and the number of pages contained in the document.

[a] Please refer to Document #2 containing 4 pages.

[1] Please explain in detail the purpose of this document.

[2] What is the significance of the second word of the document ERRORS=0 and the word RE-WORK on the second line of the document?

[3] Please advise what categories or information, if any, were redacted in the public document.

[b] Please refer to Document #3 containing 1301 pages

[1] Please explain in detail the purpose of this document.

[2] What is the last column heading that is obscured by the PRC acceptance notation?

[3] On what basis are the individual offices sorted in the printout?

[4] Please provide the City and State for each of the entries.

[5] Please advise what categories or information, if any, were redacted in the public document.

[c] Please refer to Document #4 containing 428 pages

[1] Please explain in detail the purpose of this document.

[2] On what basis are the individual offices sorted in the printout?

[3] What does the PFC column show? Please provide a listing of all of the codes.

[4] What data is provided by each of the three Reporting Technologies shown in this document?

[5] The public document appears to have combined three columns from the non-public document into a single column with an entry of Retail – Walk-In Revenue. Please confirm or explain.

[6] It would appear that the non-public document contains actual dollar amounts in place of the entry Retail – Walk-In Revenue entry. Please confirm or explain.

[7] What type of data or information is provided in the AIC Revenue Code column?

[8] What type of data or information is provided in the Metrics column?

[9] What type of data or information is provided in the Final Amount column?

[10] Please provide the City and State for each of the entries.

[11] Please advise what categories or information, if any, were redacted in the public document.

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[d] Please refer to Document #5 containing 575 pages

[1] Please explain in detail the purpose of this document.

[2] On what basis are the individual offices sorted in the printout?

[3] What is the significance of the entry and summary #NUM! that appears seven times on page 1?

[4] It would appear that this document consists of a cover sheet and two separate 287 page listings where PDF page 2 matches PDF page 289 so that the entries on one page must be connected with those appearing on the corresponding page 287 pages later. Please confirm or explain.

[5] Please provide a document that combines all of the entries for a given facility on the same page/line.

[6] Please provide the City and State for each of the entries.

[7] Page 1 indicates that a subset of CPUs is utilized. Please indicate the types of CPUs that are included as a Postal Location and those types that are not included in the subset.

[8] Please provide the rationale for including or not including a CPU in the subset that is considered as a Postal Location.

[9] Are the distances shown in the document airline distances or driving distances?

[10] If they are airline distances, please provide a similar listing showing driving distances.

[11] What do the PFC and PFC_NAME columns show?

[12] It would appear that the entry Retail – Walk-In Revenue entry in the public document is replaced in the non-public document by the actual dollar amount that is for the given facility as opposed to the revenue of the nearest neighbor. Please confirm or explain.

[13] What is the significance of expressing the distance to the nearest neighbor to eight decimals or to the nearest one hundred-millionth of a mile which is equivalent to less than seven ten-thousandths of an inch?

[14] Please advise what categories or information, if any, were redacted in the public document.

[e] Please refer to Document #6 containing 575 pages

[1] Please explain in detail the purpose of this document.

[2] It appears that Document #6 is identical to Document #5 except that the entry and summary #NUM! that appears seven times on page 1 have been replaced by actual numerical entries. Please confirm.

[3] If you are unable to confirm subpart [e][2], please provide the responses to those requested in the fourteen subparts of subpart [d] above as they also relate to Document #6.

[f] Please refer to Document #7 containing 569 pages

[1] Please explain in detail the purpose of this document.

[2] On what basis are the individual paths sorted in the printout?

[3] It appears that the entries in the DIST_TO_NEAREST_NEIGHBOR utilize the same data appearing in the last columns of Documents #5 and #6. Please confirm or explain.

[4] What data is contained in the last column POS_IS_LT100K?

[5] It appears that a Y in the last column indicates YES and a no entry indicates no. Please confirm or explain.

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[6] Are the distances shown in the document airline distances or driving distances?

[7] If they are airline distances, please provide a similar listing showing driving distances.

[8] Since it appears that the finance numbers have been redacted and therefore there is no indication of the identity of the path. Please provide a similar document showing the facility name, city, and state for each end of the path.

[9] Please advise what categories or information, if any, were redacted in the public document.

[g] Please refer to Document #8 containing 1 page.

[1] Please explain in detail the purpose of this document.

[2] Are all Contract Postal Units included in the "retail locations" in this document? If yes, please explain the data shown in Documents #5 and #6. If no, please correct Document #8.

[3] The last line of the document [other than the Source] appears to indicate that there are 16,312 total locations in this criterion and that 13,494 of them have latitude/longitude data and that 2,818 [16,312 less 13,494] of them do not have latitude/longitude data. Please confirm or explain.

[4] Please explain why these 2,818 facilities, or only 17%, do not have latitude/longitude data available.

[5] Please provide a similar document showing driving distances.

[6] Please advise what categories or information, if any, were redacted in the public document.

[h] Please refer to Document #9 containing 5 pages.

[1] This Document indicates that the Library Reference consists of EXCEL spreadsheets while the Commission filing consists of PDF files only. Please provide EXCEL documents and explain any differences between the EXCEL and PDF versions.

[2] Please advise the format of the latitude/longitude data. For example, is it expressed in degrees, minutes, and seconds or is it expressed in whole and decimal parts of a degree? How many decimal places, if any, are utilized? Please provide a sample latitude and a sample longitude entry.

[3] Are the latitude/longitude data expressed in the North American Datum 1983 [NAD 83]? If not, why not?

[4] It appears that this Document was prepared specifically for Library Reference 4. Please confirm or explain.

[5] Please provide all explanations that are contained in Library Reference NP1 in the format that they appear in that Library Reference with redactions if necessary. The justification for each redaction should be indicated.

RESPONSE

After internal discussion of public library reference number 4, the Postal Service re-filed library reference USPS-LR-N2011-1/4 on September 6, 2011 in

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the form of a single document. Responses accordingly refer to that document.

Several parts of this interrogatory reflect the author's inability to process or understand technical information of the type supplied; the Postal Service is under no obligation to take the time and effort necessary to teach Mr. Popkin the technical skills required to understand this information. The interrogatory also goes on at some length to repeat questions that do little to add to meaningful discussion, while pretending that no other information responsive to Mr. Popkin's interminable inquiries already exists. Mr. Popkin can look in those other locations when and if he so desires. Notwithstanding, and in consideration that the Postal Service first filed the library reference in a suboptimal form, the Postal Service has undertaken significant effort to provide these replies.

[a]

[1] See USPS-LR-N2011-1/4 page 2.

[2] This question asks about specific lines of SAS code. Any knowledgeable SAS user would understand these basic principles. `ERRORS=0` is simply an option in the SAS code to prevent excessive output in case of an error, e.g., syntax or corrupted data (a warning message is printed instead). `REWORK` refers to the fact that this code was re-run in a computing environment in which directories had been re-structured for archival purposes – the logic was not altered, but rather only the file structure references.

[3] See USPS-LR-N2011-1/4.

[b]

[1] See the response to [a][1] above.

[2] See USPS-LR-N2011-1/4.

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[3] USPS-LR-N2011-1/4 contains multiple spreadsheets. These spreadsheets reflect individual office sortation based on geographic proximity to other retail facilities, postal district, and, in some cases, confidential information contained in the USPS-LR-N2011-1/NP1 (the non-public version of USPS-LR-N2011-1/4).

[4] This information can be derived by any interested person from any number of other library references where facilities are also identified by finance number.

[5] See USPS-LR-N2011-1/4.

[c]

[1] See the response to [a][1] above.

[2] See the response to [b][3] above.

[3] "PFC" refers to Performance Cluster Code, a geographic grouping similar to an "Area" or a "District." This information is available in other library references and USPS.com. PFCs can also be identified by a name, found in the PFC-NAME column.

[4] The three reporting technologies indicate how retail information is accumulated and transmitted to the USPS accounting and financial systems. Larger facilities use POS, which transmits information at the individual transaction level; IRT and Emove transmit daily summaries by product category, e.g., stamps, money orders, etc.

[5] See USPS-LR-N2011-1/4.

[6] Confirmed.

[7] See USPS-LR-N2011-1/4.

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[8] See USPS-LR-N2011-1/4.

[9] FY2010 walk-in revenue.

[10] This information can be extracted from any of several other library references keyed to Finance Numbers, or from the internet.

[11] See USPS-LR-N2011-1/4.

[d]

[1] See the response to [a][1] above.

[2] See the response to [b][3] above.

[3] See USPS-LR-N2011-1/4. The document containing that entry has been updated and removed.

[4-5] See USPS-LR-N2011-1/4.

[6] This information can be extracted from any of several other library references keyed to Finance Numbers, or from the internet.

[7-8] The document includes CPUs with latitude/longitude data in the FDB_CMN-CORE table in the USPS data warehouse.

[9] Airline distances.

[10] See USPS-LR-N2011-1/12.

[11] See the response to [c][3].

[12] Confirmed.

[13] The distance calculation is done in SAS using high-precision floating-point arithmetic.

[14] See USPS-LR-N2011-1/4.

[e]

[1] See the response to [a][1] above.

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[2-3] See the response to [d][3] above.

[f]

[1] See the response to [a][1] above.

[2] See the response to [b][3] above.

[3] See USPS-LR-N2011-1/4.

[4] This is a flag indicating that this USPS Retail Location uses POS reporting technology but netted less than \$100,000 in walk-in revenue in FY 2010.

[5] Confirmed.

[6-7] See the responses to [d][9-10].

[8] This information can be obtained by examining USPS-LR-N2011-1/NP1.

[9] See USPS-LR-N2011-1/4.

[g]

[1] See the response to [a][1] above.

[2] No, only a subset of Contract Postal Units is included. There is no correction necessary because the document makes no representation that it includes all CPUs.

[3] Confirmed.

[4] See the first four pages of USPS-LR-N2011-1/4.

[5] See the response to [d][10].

[6] See USPS-LR-N2011-1/4.

[h]

[1] Excel documents are provided in USPS-LR-N2011-1/NP1.

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[2-3] Latitudes and longitudes are expressed as decimal degrees.

Number of digits after the decimal point vary, but are generally 5-6.

[4] N/A

[5] See USPS-LR-N2011-1/4.

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DBP/USPS-63 Please refer to your response to Interrogatory PR/USPS-12 subpart [f].

- [a] Please advise when the Postal Service plans to file the first update to The List.
- [b] At what intervals does the Postal Service plan to file subsequent updates?
- [c] Please confirm, or explain if you are unable to confirm, that the updates to The List will consist of corrections and/or deletions and will not consist of additions.

RESPONSE

- (a) The week of September 19, 2011.
 - (b) Monthly.
 - (c) There is not intent to add facilities that should not be on the list.
- Corrections and additions are not mutually exclusive.

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DBP/USPS-64 Please refer to Library Reference N-2011-1/9.

- [a] Please provide a new listing showing the two-letter state abbreviation added as an additional column. This is needed to make the Public version useful since the Finance Numbers have been redacted.
- [b] What is the significance of the single digit that follows the Unit Name in many of the entries?
- [c] On what basis are the individual offices sorted in the printout?

RESPONSE

- (a) See USPS Library Reference N2011-1/19.
- (b) None.
- (c) By total walk-in revenue from highest to lowest.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-65 Please refer to Library Reference N-2011-1/8.

- [a] On what basis are the individual offices sorted in the printout?
- [b] Please confirm or explain that the Public Version of this reference has redacted only the Facility Finance Number and the PO Boxes Rented Total.
- [c] Please confirm or explain that the column of numbers represents the total number of boxes installed at the listed facility, both rented and non-rented.
- [d] Please advise what categories of facilities are contained in this Library Reference and what categories are not contained.
- [e] How are Post Office Box numbers that are utilized for Caller Service and Firm Holdout delivery accounted for in the data shown in this Library Reference?

RESPONSE

- (a) Area, District, then Office name.
- (b) Confirmed.
- (c) Confirmed.
- (d) The list contains Post Offices, Station/Branches, and CPUs that rent P.O. Boxes. Facilities not listed are facilities without P.O. Boxes.
- (e) P.O. Box numbers are accounted for, irrespective of whether Caller Service is associated with a particular box. Firm Holdout is associated with street addresses, not P.O. Boxes.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-66 Please refer to your response to Interrogatory DBP/USPS-50 subpart [a].

- [a] Your response appears to indicate that none of the facilities being proposed for discontinuance or consolidation have customers who receive delivery service to their street address by a city delivery carrier, rural delivery carrier, or HCR carrier. Please confirm or explain.
- [b] Please explain the process that a customer must follow with respect to filing a change of address order if his/her post office is discontinued and he/she will experience a change in the address to which the mail must be addressed. Please provide separate responses, if necessary, depending on whether the customer chooses the preferred new method of receiving mail or decides to choose his/her own method.

RESPONSE

- (a) Not confirmed. It is not necessarily the case that customers of an RAO candidate facility receive delivery from that facility. They may receive delivery from another facility while conducting retail transactions at the RAO candidate facility.
- (b) Postal customers residing in a community where the Post Office is a candidate for discontinuance and are presently receiving delivery to their street address will not need to file a COA. Customers would file a change of address as outlined in the DMM Section 507.2.1.4.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-67 Please refer to your response to Interrogatory DBP/USPS-50 subparts [b] through [i].

- [a] The original Interrogatory asks for specific information which is not covered in your reference to POM Section 682.22. Please provide the information that was requested in the original subparts [b] through [i].
- [b] POM Section 682.22 refers to single-piece-rate Standard Mail. Is this service still available? Are Presorted Standard and Presorted Non-Profit mail forwarded without added charge?
- [c] How will employees at the delivery office be aware that mail [which is normally not forwarded without charge] is being forwarded as a result of a discontinued office and therefore should not be charged postage due?

RESPONSE

- (a) (1) There is a \$1.00 verification fee for filing a COA on –line or by phone.
- (2) Mail would be returned in accordance with section 507.1.0 of the Domestic Mail Manual.
- (3) All ancillary endorsement processing will be provided for these Changes of Address.
- (4) First-Class Mail will be forwarded free of charge. Periodicals will be forwarded free of charge for 60 days.
- (5) Package Services mail, with the exception of unendorsed Bound Printed Matter, is forwarded postage due.
- (6) Unendorsed Standard and unendorsed Bound Printed Matter are not forwarded. Periodicals after 60 days of forwarding are not forwarded.
- (7) First-Class Mail will be forwarded for 12 months. Months 13-18 are Returned to Sender with the new address information. After 18 months, it will be Returned to Sender Forwarding Order Expired - Unable to Forward.
- (8) No delay is anticipated.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

RESPONSE to DBP/USPS-67 (continued):

- (b) The answer to the first question is negative; the POM section needs to be updated. Presorted Standard mail and Non-Profit mail would be forwarded as outlined in section 507.2.3.5 of the DMM.
- (c) After receiving official notification of discontinuance from the District Manager the Manager of Postal operations would provide operational instructions to the Manager or Postmaster of the gaining office.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-68 Please refer to your response to Interrogatory DBP/USPS-52 subpart

[a] What specific sections of USPS Handbook 101 apply?

RESPONSE

Chapter 23 – Analyzing Service Alternatives.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-69 Please refer to your response to Interrogatory DBP/USPS-53. While I may be aware that my local post office sells 29¢ stamps for post card use and Forever stamps for First-Class Mail letters, I am not aware to the percentage of transactions that apply to each of the options. Please respond to the original Interrogatory.

RESPONSE

If the question or its predecessor seeks a calculation of the ratio of check marks for each of the alternate channels in relation to the number of USPS brick and mortar check marks in the response to DBP/USPS-6, then it requests a simple arithmetic exercise that does not require postal resources to perform. Perhaps, one could perform the arithmetic and then seek confirmation of its accuracy. Otherwise, this question does not succeed in clearly articulating what it seeks.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-70 Please refer to your response to Interrogatory NPL/USPS-8.

- [a] Please confirm or explain that all of these added amenities that you indicate might be available at the nearest remaining office will still be there whether the local office is closed or not.
- [b] Please confirm or explain that in general the customer who patronizes a specific facility does so after evaluating all of the options and therefore likely will feel that their customer experience has been reduced if their choice of facilities is discontinued.

RESPONSE

- (a) The discontinuance of a candidate facility should not impact the services otherwise already provided by the nearest remaining facility.
- (b) The Postal Service lacks sufficient information with which to confirm whether such evaluations are generally performed or whether the discontinuance of a nearby facility is the only factor customers generally consider in assessing whether their retail experience has been diminished. Customers can find that alternate access to postal products and services can be more convenient and efficient.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-71. Please refer to the updated Library Reference USPS-LR-N2011-1/4. The original document had a total of approximately 3459 pages and the updated document has a total of approximately 2240 pages. The only explanation provided by the Postal Service was that it was placed in a form more consistent with the filing of other library references in this docket.

[a] Please describe in detail the changes that were made in the filing of the revised version.

[b] On what basis are the individual offices sorted in the listing of facilities?

[c] To the extent that questions contained in Interrogatory DBP/USPS-62 still apply to the revised Library Reference, a response is still desired.

RESPONSE

[a] In Updated Library Reference USPS-LR-N2011-1/4, the page layout was modified to include more columns per page for each spreadsheet, and it includes all of the documents from the original filing in a single file.

[b] Updated Library Reference USPS-LR-N2011-1/4 contains multiple spreadsheets, and each spreadsheet is sorted on a different basis. The spreadsheets contained in Updated Library Reference USPS-LR-N2011-1/4 reflect individual office sortation based on proximity to other retail facilities or confidential information contained in USPS-LR-N2011-1/NP1 (the non-public version of USPS-LR-N2011-1/4).

[c] See the response to DBP/USPS-62.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-73

Please refer to your Library Reference USPS-LR-N2011-1/12 and the corresponding non-public version NP7.

- [a] Please explain how the distances were calculated.
- [b] Is the distance shown the distance FROM the facility being discontinued TO the replacement facility or is it the reverse? There appears to be different distances due to one way streets,
- [c] If the nearest replacement office was originally calculated using airline distances, has it been reevaluated to see that it is still the nearest facility when the distances have been converted to driving distances? If not, why not?
- [d] I have checked two entries in the Library Reference using www.mapquest.com and I arrived at different distances than shown in the Library Reference.
 Englewood Annex 07631 [55 Smith Street] to Englewood Main Office 07631 [77 Engle Street] = Mapquest 1.17 / 1.26 reverse miles / Library Reference 0.9 miles
 River Road Fair Lawn 07410 [12-44 River Road] to Fair Lawn Main Office 07410 [14-24 Abbott Road] = Mapquest 1.11 miles / Library Reference 0.1 miles.
 Please explain the discrepancy for these two entries and please discuss the validity of the remaining entries.

RESPONSE

- (a) Through the utilization of readily available mapping resources such as www.uspswhitepages.com, driving atlases, or local postal records.
- (b) No records have been maintained to indicate whether the calculation in each case was from A to B or from B to A.
- (c) As numerous interrogatory responses have made clear, the "as the crow flies" distance was used solely for the purpose of creating the pools of station, branch and annex candidates that are part of the ROA Initiative.

For purposes of facility-specific USPS Handbook PO-101 discontinuance

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

RESPONSE TO DBP/USPS-73 (continued)

review, driving distance will be used to determine the proximity of the retail location nearest the one being studied for discontinuance. Accordingly, no purpose would be served by seeing how that latter distance might compare to the former distance.

- (d) Different mapping software programs – such as MapQuest, Google and Microsoft Bing – calculate driving distances using different methodologies and, therefore, can produce different estimates of distance between the same points. The fact that one might use Mapquest, for example, to produce driving distance estimates for two origin-destination points that vary from those produced by Bing, for example, validates this observation.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO POPKIN INTERROGATORY**

DBP/USPS-74

Please refer to your Library Reference USPS-LR-N2011-1/13 and the corresponding non-public version NP8.

- [a] Please advise the method by which the entries have been sorted.
- [b] The entries do not appear to be consistently correct. For example, on page 52 it shows entries for PM Central Islip / Fort George / PVD-Cranston Finance Unit as being in the Northern NJ PFC when they are located in NY, NY, and RI. That worksheet is PART of the data used to answer the request to provide a count of offices by CAG (Cost Ascertainment Group). Please explain what appears to be an obvious error in these three entries and also please discuss the validity of the remaining entries.
- [c] Please explain the criteria for an office being categorized in each of the CAG levels.

RESPONSE

- (a) The entries were sorted on the basis of the Facility ID number from the Facilities Data Base, which was redacted.
- (b) The sort by CAG is correct. The columns for Area and District were not used in the sort because they were extraneous to the data sort needed to answer the question and should not have accompanied the summary worksheet that reflects the number of offices by CAG and the aggregate CAG percentage total. Please continue to rely on other Library References for Area and District affiliations.
- (c) Cost Ascertainment Group levels are based upon revenue unit *classification*. As of October 1 of each year, Post Offices are categorized through a cost ascertainment grouping (CAG) process based on allowable postal revenue units for the second preceding fiscal year as follows:

One revenue Unit is \$387.55

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO POPKIN INTERROGATORY**

RESPONSE to DBP/USPS-74 (continued)

- (1) CAG A–G. Post offices having 950 or more revenue units.
- (2) CAG H–J. Post offices at least 190 but fewer than 950 revenue units.
- (3) CAG K. Post offices having at least 36 but fewer than 190 revenue units.
- (4) CAG L. Post offices having fewer than 36 revenue units.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO POPKIN INTERROGATORY**

DBP/USPS-75

Please refer to your Library Reference USPS-LR-N2011-1/14 and the corresponding non-public version NP9. This Library Reference appears to be in four sections.

SECTION ONE Post Office Box Usage

SECTION TWO Waiting List Count

SECTION THREE Retail Window Count

SECTION FOUR Manpower Usage

- [a] SECTION ONE Please provide a listing of the column heading in 12 point type.
- [b] SECTION ONE Please explain what each of the column headings represent.
- [c] SECTION ONE Please advise the method by which the entries have been sorted.
- [d] SECTION TWO Please advise the method by which the entries have been sorted.
- [e] SECTION THREE Please advise the method by which the entries have been sorted.
- [f] SECTION FOUR Please advise the method by which the entries have been sorted.
- [g] SECTION FOUR Please explain what each of the column headings represent.
- [h] SECTION FOUR Please provide a listing of what each of the entries in all of the columns except the first two stands for.

RESPONSE

- (a-h) See the Excel workbook attached to this response.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF DAVID POPKIN**

DBP/USPS-76 In the hearing before the United States Senate Committee on September 6, 2011, the Postmaster General stated several times that the revenue cutoff for use in the current Docket was \$20,000 rather than the \$27,500 figure that was previously provided by the Postal Service. Does this require the filing of updates by the Postal Service as required by the Commission's Rules? If not, what was the significance of his testimony?

RESPONSE

No update is required by any Commission rule under the circumstances. The significance of that aspect of the Postmaster General's Congressional testimony is that it proves, despite carrying the weight of the postal world on his shoulders, that like his predecessors, he is a mere mortal and does not have perfect recall of every bit of postal minutiae at the tip of his tongue twenty four hours a day.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO NAPUS INTERROGATORY REDIRECTED FROM WITNESS BOLDT**

NAPUS/USPS-T1-36

Please refer to USPS-T-1, page 19, footnote 17. You state that a community meeting is required at either the initial feasibility study stage, or at the post-proposal stage.

Please confirm that only one meeting would occur on a specific candidate facility, and that meeting would cover both stages.

Please indicate the duration or timeline of the "initial feasibility stage."

If there is no time limit, is there a requirement for community meetings at particular increments (e.g., annually) for a candidate post office?

RESPONSE:

Please refer to the response to NAPUS/USPS-T1-35. The point made in testimony by Mr. Boldt is that a community meeting can occur prior to, or subsequent to, the formal posting of a proposal. So long as a community meeting occurs prior to a final agency decision, the exchange between postal officials and customers at a community meeting informs the decision whether to proceed to a final agency discontinuance decision.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO NAPUS INTERROGATORY REDIRECTED FROM WITNESS BOLDT**

NAPUS/USPS-T1-40

Please refer to *Handbook PO-101*, section 321.2. Please explain how the USPS evaluates the importance of a post office, as the sole representative of the government, to a community Please explain how the USPS evaluates the importance of a post office as the focal point of the community

Please explain how the USPS evaluates the economic impact that the presence of a post office has on the community

Please explain how the USPS evaluates the social impact, including communal cohesion, that the presence of a post office has on a community

Please explain how the USPS evaluates the presence of a post office to vulnerable populations, such as senior citizens and mobility impaired citizens

Please explain how the USPS evaluates the degree to which a community utilizes broadband digital communications

RESPONSE:

This question appears to identify possible roles that a Post Office might be perceived by some to play in a community, ones that might be analyzed in terms of various subsections to Section 32 of PO-101. As such, each would be analyzed in the context that an individual Post Office presents.

RESPONSE OF UNITED STATES POSTAL SERVICE
TO NAPUS INTERROGATORY,
REDIRECTED FROM WITNESS BOLDT

NAPUS/USPS-T1-42.

Please refer to NAPUS/USPS-T1-2. Could you please identify those 2,800 candidate post offices that serve communities that fall within the Postal Service's understanding of §101(b) of Title 39 (i.e., rural areas, communities and small towns where post office are not self-sustaining)?

RESPONSE:

In library reference USPS-LR-N2011-1/2 (tab "new_2hours"), the Postal Service identified all of the facilities embraced by its Request for an advisory opinion, including the "over 2800" Low Workload Post Offices with annual revenue less than \$27,500. (USPS-T-1 at 14-15.) Data for respective offices were later made available in library reference USPS-LR-N2011-1/NP3.

The Postal Service has not labeled specific Post Offices as falling within the ambit of 39 U.S.C. §101(b), because to a greater or lesser extent that section defines policy that applies to most offices. A large proportion of offices is not self-sustaining, which is no surprise given the nature of a network industry and the patterns by which mail is entered for delivery throughout the delivery network of 151 million plus delivery points. The availability of or access to postal services are not metered based upon whether an office is or is not self-sustaining.

Rather, most Post Offices offer the full range of products and services needed by individual customers. Indeed, proliferation of alternate access opportunities frees the Postal Service and its customers from measuring individual access to postal services exclusively by proximity to carrier delivery and brick/mortar facilities operated by postal employees.

RESPONSE OF UNITED STATES POSTAL SERVICE
TO NAPUS INTERROGATORY,
REDIRECTED FROM WITNESS BOLDT

While those Post Offices open only two hours per weekday – since they are by definition the smallest in the system – can be viewed as plausible candidates for being subject to section 101(b), many of them do not fit fully within the description that section provides. Small offices quite commonly once served small communities, but were eventually surrounded by suburban growth. So size alone cannot define the applicability of section 101(b).

The Postal Service, however, has no specific legal requirement or business need for actually concluding that section 101(b) applies to a specific office.¹ It is one of four statutory considerations that must, in any event, be considered in the context of discontinuance studies. Title 39 U.S.C. § 404(d)(2)(A)(iii) requires the Postal Service to consider:

(iii) whether such closing or consolidation is consistent with the policy of the Government, as stated in section 101 (b) of this title, that the Postal Service shall provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining;

in every discontinuance study. The Postal Service accordingly understands section 101(b) as illustrating broad policy embodying the breadth of its universal service obligation: every customer, including those in small, isolated towns, needs regular and effective access to the sending and receipt of mail, needs that define the minimum necessary access to postal service.

¹ If it did, then a regulatory system that defined specific criteria such a "rural", "community" and "small towns" plus a parallel system to administer admission to and departure from qualification would also be necessary.

RESPONSE OF UNITED STATES POSTAL SERVICE
TO NAPUS INTERROGATORY,
REDIRECTED FROM WITNESS BOLDT

NAPUS/USPS-T1-45.

Please refer to NAPUS/USPS-T1-22(e)(5). Please identify the candidate post offices, if any, that are PRS sites.

RESPONSE:

All sites are PRS sites.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-1: The testimony of Mr. Boldt, submitted by the Postal Service, refers to "earned workload" for Post Offices (see, e.g., page 3).

- [a] Please provide the formula used to calculate earned hours.
- [b] On what date(s) were the productivities determined for this formula?
- [c] Has mail make-up changed since this productivity was determined?
- [d] The letter and flat productivities within SOV seem to be higher are actually higher then MPLSM and FSM productivities which were used in the past. Does that mean that the Postal Service has set manual productivities higher then multiple position sorting machines in both flats and letters? Please explain how that is possible.
- [e] The Postal Service has used the same formula to create the list of offices to be reviewed. Please provide the rolling 52 weeks of earned hours as well as total revenue for all A-E and Level 11 offices in Delaware and Maine.

RESPONSE:

- a. See the attachment to this response.
- b. The date range was from 7/3/10 to 7/8/11.
- c. Mail make-up changes constantly. However, the short and long term swings long recognized in Commission regulatory matters are not understood as having any material impact the identity of offices selected for inclusion in the RAOI.
- d. The MPLSM which is no longer in service, processed mail at a maximum rate of 1 letter per second or 3,600 pieces per hour. The current FSM productivity factor is 2,365 pieces per hour. These are the first pieces of automation equipment brought in to process letters and flats. The productivity of these machines was less than that of actual manual processing of letters and flats. The benefit of having these machines was that a person cannot throw letter mail in to 300 bins or flat mail in to 100 bins. The benefit of these machines was in the down flow.
- e. See the attachment to this response.

Revised: September 7, 2011

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-2: In reference to the Revenue formulae which drive earned hours for the window in a non-POS environment, what year were these formulae updated, specifically the 5 dollars per transaction? Have the dollars per transaction changed over the past few years? When was the last time that this figure was validated with any actual retail studies, or was that dollar amount ever validated, and, if so, in what manner?

RESPONSE:

The \$5 dollar walk in revenue per revenue transaction has not been changed since 2008. However the current walk in per revenue transaction is \$7.13 for 2011 through July 2011. Consequently the SOV offices are getting credit for more workload than they would if the actual rate were being used.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-3: Two years ago the Postal Service increased the SOV/CSV productivity up by 10% even after the Postmaster Organizations gave good argument that the formulae were already too high and falsely inflated due to Postmasters' time not being accounted for (but the Postal Service increased it anyway). Would this adversely impact the list of offices to be reviewed, and if so, how?

RESPONSE:

If the productivity increases by 10 percent, the earned hours decrease which would bring additional offices within consideration. However, the percent achievement to Earned in SOV is currently at 97 percent. This indicates that offices are operating very close to their Earned hours. The question provides no basis for the characterization of the formulae as being "too high and falsely inflated."

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-4: Please provide the EFMS data used to determine proximity of the closest office. Please explain how that data was derived. Is it actual road miles or the map distance?

RESPONSE:

EFMS data provide an estimate that must be validated by reference to another source to generate a reliable driving distance estimate. A validation exercise is underway in order to be responsive to POIR 1, Question 14.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-5: Please identify all persons who assisted in preparing the Direct Testimony of James J. Boldt.

RESPONSE:

Mr. Boldt prepared his testimony with the assistance of several staff members and in consultation with the Vice President, Retail and Post Office Operations.

His testimony also was reviewed by postal counsel.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-6: At the time Mr. Boldt's written testimony was prepared, is it correct that he had only been the National Manager, Customer Service Operations for three months or less?

RESPONSE:

Yes.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-7: For Mr. Boldt's two Postmaster assignments, did customers at those Post Offices require any postal services beyond purchasing stamps and sending Priority Mail? If so, please list the full range of postal services those customers wanted or needed.

RESPONSE:

Mr. Boldt's last Postmaster position was as an EAS-24 Postmaster in charge of a large Post Office that offered the retail products and services identified in the attachment to DBP/USPS-6.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-8: Mr. Boldt's current job responsibilities include developing policies and procedures related to "the improvement of the customer experience when doing business with the Postal Service." (Boldt Direct Testimony at i).

- [a] How will closing a substantial number of small rural Post Offices help improve the customer experience? Identify the ways closing such Post Offices will improve the customer experience.
- [b] How will closing a substantial number of urban and suburban Post Offices help improve the customer experience? Identify the ways closing such Post Offices will improve the customer experience.

RESPONSE to NLP/USPS-8 (continued):

(a-b) Various factors affect the quality of the postal retail customer experience.

Proximity to a postal retail unit is but one facet. Improvement of the postal retail customer experience can be achieved through a focus on the quality of transactions that customers conduct and the means through and convenience with which they can be conducted. If a local Post Office is closed and the nearest remaining office requires a longer trip to access, that gaining office might nevertheless have longer retail hours, an Automated Postal Center, a better selection of Post Office boxes, more parking, more retail windows providing service or other factors that can improve the quality of doing business with the Postal Service. Improved convenience and longer retail hours of available at nearby accessible alternate access locations (CPUs, Approved Shippers, VPOs, stamps on consignment) at grocery stores, pharmacies, and other retail establishments frequently visited by postal customers can help to improve the postal retail customer experience, even if a nearby Post Office is closed, especially for the few transaction types that dominate the typical

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

RESPONSE to NLP/USPS-8 (continued):

postal retail customer experience. So can Stamps by Mail and Phone programs, which allow customers to stock up on stamps without leaving home, irrespective of nearby discontinuance activity. For customers with Internet access, the use of www.usps.com also provides an additional channel to conduct some transactions that might otherwise require a trip to a Post Office. The regular availability of a rural carrier operating as a "Post Office on Wheels" can also improve a person's postal customer experience if a retail facility is not nearby.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-9: Please provide a complete list of all services available at major, big-city Post Offices.

RESPONSE:

Please see the response to DBP/USPS-6.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-10: Please provide a complete list of all services which will be available at Village Post Offices.

RESPONSE:

See the response to POIR 1 Question 10.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-11: Were the Postal Service to "provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns," what services would that include?

RESPONSE:

Overall, it would include the retail services listed in response to DBP/USPS-6, subject to more variation in access and less proximity than would be experienced in urban and suburban areas where postal retail facilities and alternate access sites are likely to be clustered relatively more densely. The Post Office on Wheels aspect of rural carrier delivery compensates in part for the relative lack of proximity to a retail location that can be experienced in rural areas, and communities and small towns.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-12: Please identify all directives or guidance provided to field managers which offered encouragement or incentives to close or consolidate Post Offices from 2000 forward.

RESPONSE:

Headquarters has issued no directives or guidance encouraging or providing financial incentives to close or consolidate post offices.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-13: Prior to the Retail Access Optimization Initiative, did the Postal Service ever make a determination or have any plan to close Post Offices on a nationwide basis? For each such plan or determination, please provide all identifying information.

RESPONSE:

No records have been located which suggest the existence of any determination or plan that could result in the closure Post Offices on at least a substantially nationwide basis prior to the instant docket. Docket No. N2009-1 affected stations and branches, but not Post Offices.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-14: Please define a "Post Office," and distinguish from a "station" or "branch." Please state the legal, operational, service, and management distinctions between a "Post Office," and a "station" or "branch."

RESPONSE:

The following definitions appear in Handbook PO-101:

- **Independent Post Office:** An organizational entity subordinate to a district with responsibility for customer services, local delivery, the receipt and dispatch of all classes of mail, and in some instances, processing and distribution of mail for other Post Offices in the surrounding geographic area.
- **Classified Station:** A retail facility that is Postal Service-operated and is under the administration of an independent Post Office. A station is located within the corporate limits or city carrier delivery area of the city or town in which the main Post Office is located. The name of the station is generally not used as the city name in the last line of the address.
- **Classified Branch:** A retail facility that is Postal Service-operated and is under the administration of an independent Post Office. A branch is located outside the corporate limits or city carrier delivery area of the city or town in which the main Post Office is located. The branch name is generally used in the last line of the address.

Persons served by a Post Office have the opportunity to appeal the discontinuance of such a facility to the Postal Regulatory Commission. The

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

RESPONSE to NLP/USPS-14 (continued):

Postal Service has consistently taken the position that this appeal right does not extend to other retail facilities, such as classified stations or classified branches.

From an operational perspective, a large urban area usually has one Post Office and numerous subordinate units, such as stations and branches. Most Post Offices serve smaller communities, in which the Post Office may be the only administrative unit. Under current regulations, managers of Post Offices report to District offices, while Station and Branch managers report to Postmasters.

From a service perspective, Post Offices, stations, and branches provide retail services. Post Offices, stations, and branches may or may not house carrier delivery operations.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-17: Please provide all data or studies supporting the assertion that "it is likely that these customers already travel outside their local community to purchase other goods and services and conduct other activities of daily living."
(Direct Testimony of Boldt at Page 12, Lines 3-5.)

RESPONSE:

No empirical studies have been conducted, but this phenomenon has been observed by front-line postal managers, including Mr. Boldt, those to whom he currently reports, persons on his staff, as well as field managers with whom he routinely consults.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-18: If all 3,650 Post Offices subject to the Retail Access Optimization Initiative had been closed in 2010, what percentage reduction would have been made in the Postal Service's total operating costs for that year?

RESPONSE:

Total operating costs for all offices (excluding delivery costs) are slightly in excess of \$1 billion, or approximately 1.4 percent of all expenses.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-19: Please define "senior management" as that phrase is used in Mr. Boldt's Direct Testimony at Page 13, Line 17. Please identify all managers considered to be "senior management".

RESPONSE:

The reference in this context is to the Executive Leadership Team to whom the Vice President for Delivery and Post Office Operations would submit the RAO Initiative for consideration. The ELT consists of the Postmaster General, the Deputy Postmaster General, the Chief Operating Officer, the Chief Marketing Officer, the Chief Financial Officer, the Chief Human Resources Officer, the Chief Information Officer and the General Counsel.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-20: Why did the Postal Service determine to "consult" with the Postmaster organizations after its Proposed Rule and handbooks regarding the discontinuance process had been drafted, rather than before?

RESPONSE:

As the question acknowledges, Postal Service management undertook consultations with Postmaster and postal supervisor organizations on changes to Handbook PO-101, a corresponding proposed rule to change regulations in the Code of Federal Regulations, and potential changes to other manuals. There is no requirement that Postal management initiate consultations with such organizations before potential changes are developed or even drafted. Far from being posed as a *fait accompli*, the materials that the Postal Service shared for consultation were explicitly non-final, and the Postal Service expressly provided ample opportunity for input before final regulations and policies were developed. As the discussion in the final rule (76 Fed. Reg. 41413-41417) and the Postal Service's consultative correspondence with the organizations demonstrate, the Postal Service gave full and fair consideration to the organizations' input, even though not all of it was adopted (nor is adoption of any or all input required).

Some of the matters in the proposed rule have yet to be addressed in a final rule. The Postmaster organizations were extended opportunities to furnish recommendations on these outstanding matters, but thus far have raised solely legal objections to these changes and urged that they not be adopted.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-21: Please list all circumstances or criteria which would make a community meeting "infeasible", as that term is used at Page 19, Footnote 17, of the Direct Testimony of Mr. Boldt.

RESPONSE:

One cannot predict all such circumstances; however, given the high level of decision required to bypass a meeting, such circumstances are expected to be quite rare. One example was when a company that owned a plant and essentially all of the housing in a town closed the plant and emptied the housing. Nobody was left in the town to attend a meeting so approval was given not to conduct a meeting that nobody would likely be able to attend.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-22: What instructions or directions have been given to Postmasters regarding their personal involvement in interacting with their communities in connection with the discontinuance process?

RESPONSE:

In accordance with Handbook PO-101 section 223(b), the Discontinuance Coordinator explains discontinuance regulations to the Postmaster, officer-in-charge (OIC), or other staff at the affected retail facility and how to handle customer inquiries.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-23: Does the table on Page 22 of Mr. Boldt's Direct Testimony indicate that District Review and Headquarters Review of the determination to close a Post Office will take one day each? If not, what does the table mean?

RESPONSE:

No. The Table merely reflects that such review could in some cases take *as little* as one day at each level.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-24: Does the Postal Service have any reason to believe that private businesses would not consider the absence of a Post Office in a community as important in deciding whether to locate in that community? If so, please provide the basis for that belief.

RESPONSE:

The Postal Service is aware that some business may consider it important to varying degrees and that others may not.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-25: For the Years 1976-2006, please identify any data the Postal Service has regarding political entities (towns, cities, or incorporated or unincorporated entities) which ceased to exist following the closing of their Post Office.

RESPONSE:

The Postal Service has no business purpose in tracking such information. Since tracking of information implies a cost burden, unnecessary information is quite properly not tracked. The Postal Service accordingly has no information that would permit a response to this question.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-26: Will a "Village Post Office" have a Village Postmaster?

RESPONSE:

No.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-28: The Postmaster General has been quoted as stating that up to half of the current Post Offices may be reviewed for closing within the coming seven years. Does the Postal Service's Request for an Advisory Opinion apply only to the 3,650 Post Offices currently in the Retail Access Optimization Initiative, or for all Post Offices to be considered for closure or consolidation in the next seven years?

RESPONSE:

The Request in this docket applies only to the RAO Initiative.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-29: Of the 260 Post Offices, stations, and branches currently undergoing discontinuance review (Boldt Direct Testimony at Page 16), how many have had maintenance orders, other support orders, or stamp or retail orders cut off?

RESPONSE:

This information is not maintained at the national level. Maintenance orders, other support orders, or stamp or retail orders would not be cut off unless a final determination was actually made to close the facility.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-30: How far away from a community which is losing its Post Office may a so-called "community meeting" be held? When a "community meeting" is to be held other than in the affected community, what provision is made for input by the elderly, handicapped, and other immobile population? What is the rationale which allows a "community meeting" to be held other than in the involved community?

RESPONSE:

The absence or unavailability of a publicly accessible facility suitable for a public meeting in Community A may require consideration of holding that community's meeting in nearby Community B. Local logistical alternatives will influence how close to Community A that meeting can be held. Residents of Community A who cannot attend a community meeting, irrespective of location, are always free to have family members or neighbors speak or submit written comments on their behalf. Questionnaires are mailed to all addresses in the 5-digit ZIP Code of the facility being examined for discontinuance. Recipients of questionnaires by mail have the opportunity to mail in their responses or have them dropped off by family members and neighbors. It is not uncommon for persons to pick up questionnaires available at Post Office lobby and distribute them to neighbors and relatives to complete and mail in.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO NLP INSTITUTIONAL INTERROGATORY**

NLP/USPS-31: The new Handbook 101, part 251.1, states: "Be sure to schedule the meeting at a time that encourages customer participation, such as during an evening or weekend." Explain why Districts are scheduling meetings in the middle of the day, even when this provision has been brought to their attention by the LEAGUE.

RESPONSE:

USPS Headquarters lacks sufficient knowledge regarding communications that that NLP has had with any USPS District Office regarding the scheduling of any RAO Initiative discontinuance community meetings to comment on any such interaction. USPS Handbook PO-101 section 251.1 indicates that evening and weekends are times that encourage customer participation, but does not exclude other times from being considered.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-1. Please refer to the Postal Service's institutional response to Presiding Officer's Information Request No 1, question 2. Please explain in detail how revenue derived from a local Periodicals mailer entering in a candidate facility with postage paid at that facility would be considered in the Postal Service's analysis of that facility's overall revenue. If the revenue would not be considered, explain why it would not.

RESPONSE:

Offices were included in RAOI on the basis of walk-in revenue as illustrated by the attachment to DBP/USPS-13. While offices serving as the entry for permit mail of any kind are quite rare in the discontinuance context, that would nonetheless be a factor requiring consideration in any discontinuance study concerning an office.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-2. Please confirm that post offices on the Postal Service's candidate list of 3,650 facilities could potentially be entry offices for local Periodicals mail.

RESPONSE:

Confirmed that Post Offices are potential entry points for Periodicals mail.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-3. Has the Postal Service examined the revenue accounts of each of the 3,650 candidate offices to determine whether Periodicals mail revenues appear in those accounts? If not, does it intend to do so before making a final determination on discontinuing those offices?

RESPONSE:

Yes. Total Periodicals revenue for RAOI offices is only a few tens of thousands of dollars. When numbers take on that magnitude, the possibility for one or a few errors to make up a large proportion of the amount is worth keeping in mind.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-4. If a candidate office fell under scrutiny for closing because its revenues were under \$100,000 a year, but the Postal Service discovered a local Periodicals mailer producing revenues for that office that would lift the office above \$100,000 if counted, would that discovery be sufficient to remove that candidate office from a discontinuation list? If not, please explain why not. If that element alone would not cause a candidate office to be removed from the list, would that element influence the Postal Service favorably toward keeping that office open at current service levels?

RESPONSE:

The walk in revenue by which offices were identified for inclusion in RAOI does not include revenue that might result from Periodicals entry in that office. See, e.g., the attachment to the response to DBP/USPS-13. The existence of Periodicals revenue in an office under review for discontinuance would need to be considered, but it would not in and of itself be decisive either way.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-5. If a candidate office fell under scrutiny for closing because its revenues were under \$100,000 a year, but the Postal Service discovered a local Standard class mailer producing revenues for that office that would lift the office above \$100,000 if counted, would that discovery be sufficient to remove that candidate office from a discontinuation list? If not, please explain why not. If that element alone would not cause a candidate office to be removed from the list, would that element influence the Postal Service favorably toward keeping that office open at current service levels?

RESPONSE:

No. See the response to NNA/USPS-T1-4. The existence of Periodicals mail entry in a given office would need to be considered; however, its impact would depend upon the particular circumstances presented in a particular discontinuance study.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-6. Please confirm that local newspapers mailed under Periodicals permit sometimes enter mail at a local post office, but drop time sensitive copies of those issues for same day or next day delivery at nearby offices, under a practice called "exceptional dispatch," authorized by Domestic Mail Manual Section 707.28.3.

RESPONSE:

Confirmed.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-7. With respect to activities of local newspapers mailed under Periodicals permits that exercise exceptional dispatch privileges, please respond to the following:

- a. Will the Postal Service examine the candidate offices to determine whether local newspapers mailed under Periodicals permits are carrying out destination mail drops under exceptional dispatch privileges?
- b. Would the discovery of a local newspaper's use of exceptional dispatch at any given candidate office influence the Postal Service's decision in favor of continuing service at that office? If not, please explain why not.

RESPONSE:

- (a) All operations of each facility are examined in a discontinuance study.
- (b) If such a discovery were made, it would be but one of a variety of considerations taken into account. However, its impact would depend upon the particular circumstances presented in a particular discontinuance study.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-8. Do any contract postal units (CPUs) accept entry of Periodicals mail? Do any CPUs accept entry Of Standard Mail?

RESPONSE

No.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-9 Do any contract postal units (CPUs) accept local newspaper mail dropped under exceptional dispatch privileges? If not, why not?
NNA/USPS T1-10 Do any contract postal units operate as an entry office for any type of bulk business mail, other than newspapers? Please explain your response.

RESPONSE

In accordance with long-standing policy, Contract Postal Units (CPUs) are not set up to accept bulk mail, including Periodicals. At those few CPUs with P.O. Box service, all mail would be placed in respective P.O. boxes in accordance with existing procedures. This would remain true of any periodicals entered via exceptional dispatch regardless of where they were entered.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-10 Do any contract postal units operate as an entry office for any type of bulk business mail, other than newspapers? Please explain your response.

RESPONSE

No.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-11. With respect to Village Post Offices:

- a. Please supply any Requests for Proposal, with proprietary information redacted, that the Postal Service has used or intends to use to solicit bids from VPO operators.
- b. Please refer to the Postal Service's response to POIR No 1, question 11, where it is stated "several hundred inquires (sic) from interested vendors were received within days of the concept being publicly announced in July 2011. Of those inquiries, how many have received responses from the Postal Service as of the date of your response to this question? How many have actually issued bids to the Postal Service?
- c. In a case where the Postal Service expects to replace an existing post office, branch or other facility on the candidate list with a VPO, will it put the VPO in place before the closing, after the closing or simultaneously?
- d. Does the Postal Service expect VPO bidders to provide every service solicited by the Postal Service? Could a VPO offer to provide fewer services? More services?
- e. Is the Postal Service approaching any large commercial vendors--such as a national bank or retail store--to propose operating more than one VPO?
- f. If the Postal Service received a proposal from a potential VPO operator to operate 100 percent of the needed VPOs, would that proposal be accepted?
- g. Does the Postal Service expect a VPO operator to have a legal residence or corporate home in the community where the VPO operates?
- h. Will VPO bidders be required without exception to provide post office boxes in their facilities? If not, please explain why not.
- i. If a post office provided community services besides mail distribution and retail postal services, such as offering a community meeting room, would the Postal Service expect a VPO bidder to provide such a service? If a VPO bidder proposed such a service, regardless of the Postal Service's expectations, would that proposal be more favorably considered than a proposal from a bidder uninterested in providing such a service?
- j. Will the Postal Service require a VPO that replaces a post office where a local newspaper mailer previously entered mail to provide mail acceptance services for that local newspaper? If not, why not?
- k. Will the Postal Service require a VPO that replaces a post office where a local newspaper mailer previously dropped exceptional dispatch copies that are carrier-route, walk-sequence sorted to receive those copies for delivery by a postal or contract carrier? If your response is negative, please explain why the Postal Service could not require those offices to provide a repository service to hold this mail for carrier distribution.

RESPONSE:

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

- (a) See the attachments to this response.
- (b) It is believed that all of the inquiries have received some form of response.

As of August 2011, 230 inquiries have been received and three contracts have been awarded. Roll out of VPOs will continue for the foreseeable future.
- (c) VPOs will be established as an alternate access channel for some retail and delivery services where opportunities are deemed to exist, irrespective of the whether a nearby Post Office may be nominated for a feasibility study, a study is under way, an office is being discontinued, or an office has been discontinued. A VPO is not intended to nor able to "replace" a Post Office. Hence the roll out of VPOs will continue largely regardless of any discontinuance activity. A VPO provides types of access to postal services that are in wide demand.
- (d) All VPOs will provide a limited range of retail products, including postage and Priority Mail flat rate packaging; they will also collect mail, including parcels, for tender to and transportation by a postal representative.

Additionally, some will be contracted to house Post Office Box units served by postal personnel. In that sense, their operations will vary.
- (e) Multi-location enterprises are welcome to participate in the establishment of VPOs under terms that would result in their operation of multiple VPOs.
- (f) See the responses to subparts (c) and (e). The initial VPO was established at Red's Hop In Mart in Malone, WA. It is expected that other

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
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vendors also will operate VPOs. Accordingly, the prospect of Red's Hop In Mart or some other vendor having a VPO monopoly seems unlikely.

- (g) No prerequisite to that effect has been established that a VPO operator reside or have its corporate headquarters in the same community in which it operates a VPO; yet that happenstance could well occur.
- (h) No. See the response to subpart (c). Whether to pursue the establishment of a Post Office Box unit at a particular VPO location will be a case-by-case determination.
- (i) This question appears to stem from an assumption that VPOs can be or would be a complete substitute for a Post Office; yet no VPOs are expected to be full service offices. VPOs are likely to be located on the premises of establishments that offer a variety of products, services and amenities that are entirely unrelated to postal products and services. The provision of rooms for public and private gatherings is an example of an amenity unrelated to the postal products and services. Whether or not such an amenity is offered by a vendor seeking to operate a VPO is immaterial to whether that vendor will be deemed suitable to operate a VPO.
- (j-k) N/A. See the response to part (c).

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-12. Please list all means that the Postal Service expects to use to notify the public that a facility is a candidate for consolidation or closure and discuss whether each of these means will be used in each circumstance.

RESPONSE:

PRC Docket No. N2011-1 is the mechanism by which the Postal Service is requesting an advisory opinion from the Commission regarding the nomination by Headquarters of 3650 retail facilities for the conduct of formal discontinuance studies. (Previously, only field management could direct the initiation of discontinuance studies.) As such, this proceeding together with the interest and sharing of information by the press and members of Congress is the only notice being given to the public that each of 3650 offices has become a "candidate for consolidation or closure."

Once a discontinuance study commences, the procedures for providing notice to a given office's customers are detailed in Handbook PO-101. See USPS-T-1 at 17-23.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-13. Are you aware of any circumstances in a time period beginning with your service in Central Illinois district through the date of your response when the sole notice provided to the public of a potential facilities closure or consolidation occurred through a posting in a post office, including but not limited to the candidate office?

RESPONSE

While, witness Boldt's "awareness" does not permit him to identify any examples fitting the circumstances in this question, such circumstances would not be the appropriate procedure for discontinuing a Post Office, or classified station or branch, procedures for which are specified in Handbook PO-101. However, announcement that operations in a facility are being suspended (which is quite distinct from formal discontinuance) in a classified facility can, at first, resemble the circumstances described.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-14. Does the Postal Service typically carry out a postal patron mailing to the residences and businesses within a candidate office to alert it to the consideration of closing or consolidation? If so, how is the cost of producing and mailing that alert recognized by the Postal Service?

RESPONSE

Discontinuance procedures for Post Offices have long included the mailing of notice to all delivery customers served by that office. Current procedures now call for mailing notice to all delivery customers in the five-digit ZIP Code area of the facility being analyzed for discontinuance. This question is insufficiently clear regarding what is intended by cost recognition to provide a response.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
REDIRECTED FROM WITNESS BOLDT**

NNA/USPS T1-15. Are you aware that every state in the United States has a statutory provision or judicially-mandated process to provide notice to the public of significant public transactions or events? Has the Postal Service considered following these customary public notice practices in alerting the public to its consideration of a closing or consolidation?

RESPONSE

Mr. Boldt, not being an attorney, is unable to agree or disagree with the legal claims asserted.

For purposes of discontinuing classified retail units, the Postal Service has established a common set of notice rules for use throughout the national postal system. A common set of rules helps postal managers ensure that postal customers are treated in a consistent fashion, and would seem to minimize room for complaints that postal customers in State A get less time to respond to discontinuance proposals than postal customers in State B.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OR NATIONAL NEWSPAPER ASSOCIATION,
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NNA/USPS T1-16. Please state the Postal Service's total cost for television or radio advertising in Fiscal Year 2010 and Fiscal Year 2011. Have any of those expenditures been used to alert the public to a potential closure or consolidation? If so, please provide an electronic copy of those advertising messages.

RESPONSE:

Whatever the cost of postal television and radio advertising may be, Mr. Boldt is not aware of any communications between his office and persons in the Postal Service who manage such advertising. So as to his knowledge, no Postal Service television or radio product or service advertising is devoted to alerting postal customers in specific ZIP Codes that a particular Post Office, station or branch is being considered for discontinuance. Since notice is now provided to all delivery customers in ZIP Codes where a classified facility's discontinuance is proposed, even if such methods have been used in the past the need to do so now or in the future would appear to be diminished.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE PUBLIC REPRESENTATIVE**

PR/USPS-7

Please explain the process for isolating specific locations for discontinuance. Please point to specific criteria that will be used to differentiate between post offices that will remain open and those that will be closed.

RESPONSE

An explanation of the basis for isolating specific facilities for discontinuance review as part of the RAO Initiative is reflected at pages 14-17 of USPS-T-1. The USPS Handbook PO-101 review process will be utilized to differentiate among these facilities to determine which ones to discontinue operating.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF THE PUBLIC REPRESENTATIVE**

PR/USPS-15

USPS-LR-NP3 contains operating cost information for postal retail locations.

- a. Please describe the sources of operating cost by cost segment (i.e. cost segment 3.2 window services, 6.1 in office direct labor, 7.2 delivery activities, 15.1 rents)
- b. Please provide operating cost information for FYs2008, 2009, and 2010 that does not include costs associated with delivery activities.
- c. Please provide operating cost information for FYs2008, 2009, and 2010 that isolates operating cost by cost segment.

RESPONSE:

- a-c. This information is not available. All costs in these offices are categorized as LDC.47, customer service workload for CAG H-L offices.

**UNITED STATES POSTAL SERVICE RESPONSE TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 2, Q 12**

12. Please refer to the Anthony M. Yezar model (the Model) described in the report "The Postal Service Retail Facility Location and Size Problem" (USPS Contract # 6HQ01G-09-B-0024) with HIS Global Insight.
- a. Please provide the data supporting the Model including the data on the socio-economic and geographical variables used in equation(20) of the Model and listed on page 19 of this report. In particular, (1) Total Revenue (*RA*) in a given postal facility/postal store; (2) Total Employment (*NE*) in the market area of the facility; (3) Total Households (*NH*) in the market area of the facility; (4) Dummy variables (*U*) used in the Model and equal to unity in large urban areas; (5) Median Household Income (*M*) in the area; (5) (sic) Indexes of both private mail employment (*IP*) and competitive private mail establishments (*IC*) in the market area (data on private mail employment and number of private mail establishments in the area is acceptable too); and Market radius of the facility \otimes . Please provide data for all 21,898 observations (USPS facilities/ZIP Code locations serving Postal Service facilities) used in supporting the Model.
 - b. Please provide the geographical identifier for each Postal Service facility/ZIP Code location that was used in the Model.
 - c. Has the Postal Service reviewed and considered the Model and related data in the context of its retail network planning efforts?
 - d. Does the Postal Service perceive any deficiencies in the Model in its potential application to the Postal Service's retail network planning efforts? If so, please describe all deficiencies in the Model that the Postal Service perceives.
 - e. Does the Postal Service have plans to make improvements in the Model to remedy such perceived deficiencies or otherwise? If so, please provide such plans.
 - f. Please explain whether and how the Postal Service is using or intends to use the Model and related data in the context of its retail network planning efforts.
 - g. Please refer to the U.S. Postal Service Office of Inspector General (USPS-OIG)'s Risk Analysis Research Center Report Number RARC-WP-10-004 which discusses (sic) and analyzes the Model and related data. Has the Postal Service reviewed and considered the USPS-OIG's discussion and analysis of the Model in the context of its retail network planning efforts?

**UNITED STATES POSTAL SERVICE RESPONSE TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 2, Q 12**

- h. Is the RAO Initiative based, in part, on the Model, the related data, or USPS-OIG's discussion and analysis of the Model?
- i. If your response to question 12.h. is in the affirmative, please explain what particular portions of the RAO Initiative were based on the Model, the related data, or the USPS-OIG's discussion and analysis of the Model.
- j. Please explain whether and how the Postal Service is using or intends to use USPS-OIG's discussion and analysis of the Model and related data in the context of its retail network planning efforts.
- k. Does the Postal Service currently have any plans to use the Model and related data in ways other than for its retail network planning efforts? If so, please provide such plans.

RESPONSE:

The Postal Service has in no way relied upon Dr. Yezer's work in RAOI. The contract cited by the question involved the United States Postal Service Office of the Inspector General (USPSOIG).

(a-k) The Postal Service has not studied Dr. Yezer's work for use in RAOI.

However, USPSOIG has provided those data files it received for the work cited in the question. The Postal Service is unable to answer any of the remaining questions; if they can be answered, it would be by means of examining the materials made available in the library reference.¹

In questioning from the bench during the September 8, 2011 hearing, Vice-President, Delivery and Post Office Operations, Dean Granholm did, however,

¹ Counsel is informed that answering the questions posed may well be monumentally challenging given the nature of the materials.

**UNITED STATES POSTAL SERVICE RESPONSE TO
PRESIDING OFFICER'S INFORMATION REQUEST NO. 2, Q 12**

acknowledge that the Postal Service intends to examine some of Dr. Yezer's work in the future.

COMMISSIONER HAMMOND: Okay. So does the Postal Service plan to do anything specific or atypical to determine or measure after the fact whether these goals [to better align postal retail facilities with demand] have been met?

THE WITNESS: I think we have to as part of this initiative. I don't think that they are well defined at this time. I think that that has been discussed by Mr. Boldt, but I think we have to have a review at the conclusion of this process on whether it was successful or not, and I would imagine that the Commission will at least through the initial process give us advice on that as well. I think some conversations have taken place dealing with the OIG, and their use of the Dr. Yezer model. We are investigating using those models as well going in the future. That is a way that we can look at the effectiveness of the current process as well moving forward using some modeling to see what the outcome of that result would be.

Tr. Vol. 1, at 620.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 3**

1. As part of the Retail Access Optimization Initiative (RAOI), the Postal Service contends that a Village Post Office (VPO), Contract Postal Unit (CPU), Contract Post Office (CPO), consignment retailer, retail alliance partner, and Retail Annex are alternate access sites for customer access to retail postal services.¹
 - a. Please confirm that the Postal Service does not follow the guidelines in the USPS Handbook PO-101 for closing or consolidating a VPO, CPU, CPO, consignment retailer, retail alliance partner, or Retail Annex.
 - b. Please describe the procedural safeguards in place to ensure that "postal patrons...have ready access to essential postal services" when one or more alternate access sites close. Please include a discussion of the short and long term solutions used to provide substitute access for an area affected by such a closure.
 - c. Please provide any written policies, memoranda, handbooks or guidance concerning the closing or consolidation of these facilities.

RESPONSE:

Confirmed, except for retail annexes.

- a. Confirmed, except for retail annexes, which are stations. See USPS Request at 5, n.5.
- b. The Postal Service has contracts with suppliers of alternate access channels. The Postal Service further has the benefit of judgment furnished by local postal officials, who can and do establish contracts with additional suppliers should the need to do so be determined. One of the benefits of having various types of alternate access suppliers together with classified postal units in most areas of the country is the fact that for most common transactions they can serve as substitutes for one another.

¹ See Responses of the United States Postal Service to APWU Interrogatories APWU/USPS-T1-1 and T1-3 Through 5, August 23, 2011, at T1-3.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 3**

RESPONSE to Question 1 (continued)

- c. Contracts with alternate access channel operators typically have termination clauses and vary on the nature of the access channel.

Contracts can be terminated:

- On notice (60 or 120 or some other specified period);
- A shorter time-specific notice for exigent circumstances, if in the best interest of the Postal Service.

All contract terminations are processed centrally.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 3**

2. Please identify and provide the data the Postal Service utilizes to estimate demand for postal services by local area (whether that local area is a district, ZIP Code, county, or other political subdivision).

RESPONSE:

This question queries whether postal data showing what customer transactions have occurred in which postal facilities -- prima facie indicators of customer demand-- are somehow aggregated for decision purposes to the level of a political subdivision. Where necessary, the Postal Service would estimate facility-specific customer demand using earned workload data and other routine business information. Insufficient customer demand, evidenced by declining or low volume, revenue, revenue units, local business activity, or local population trends, may lead to a decision to study. The Postal Service provides these data in discontinuance studies conducted for individual postal retail facilities. Such data can be aggregated in the many ways demonstrated by material the Postal Service has filed in this case, including ZIP Code and, if all local retail facilities are in play, by district.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 3**

3. As part of the RAOI, the Postal Service includes a screen for less than two hours of earned workload and less than \$27,500 in total annual revenue. Request at 5.
- a. Has the Postal Service conducted a study to review whether operating hours are set to capture maximum consumer demand in retail facilities under consideration in the RAOI?
 - b. If the Postal Service has conducted such a study, did the study attempt to quantify revenue loss due to the limited hours of operation?
 - c. If the Postal Service has not conducted such a study, please explain how the Postal Service sets operating hours at retail facilities to capture maximum consumer demand.

RESPONSE:

Operating hours are set based on customer demand and the business judgment of local postal officials. As part of decisions regarding operating hours, postal officials may consider earned workload and other routinely collected business information. Because the Postal Service collects this information in the ordinary course of business, no study is necessary.

This question appears to presume that formal econometric studies are necessary or desirable to measure and then capture maximum consumer demand by setting the best lobby hours. It also appears to presume that postal officials have no other data, such as evidence of customer demand manifested by the history of transactions at a local facility. Further, it appears to presume that local postal officials have no experience upon which they can rely when setting hours of operation. Finally, the question does not appear to take into account that employee and labor relations policy, contracts and agreements play roles in deciding how offices are staffed during hours of operation. Lobby hours are established primarily based on customer demand fertilized with business judgment of local postal officials.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 3**

4. Please refer to USPS-LR-N2011-1/1, the USPS Handbook PO-101 at page 21, heading 321.4 "Economic Savings." Please define and explain the term "major contributing factor[s]" as it is used in the handbook, and indicate whether utility and maintenance costs are "major contributing factor[s]".

RESPONSE:

"Major contributing factor[s]" would include any general ledger line item, including utility and maintenance costs that entail significant added expense or cost savings associated with the discontinuance of the facility. As Handbook PO-101 makes clear through its mention of various characteristics of a discontinuance study without requiring empirical or quantitative approaches, all "major contributing factors" require qualitative judgment both as to their significance and how they are assessed in comparison to other elements present in a given study to conclude, or not, that a particular discontinuance should go forward.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 3**

5. Please explain separately how the Postal Service will consider the lease expiration date, rent expense, number of post office boxes, congressional district, and fair market value in its consideration of whether to close facilities as part of the RAOI.

RESPONSE:

This question misses the point of the process described by PO-101: excluding one item discussed below, these factors cannot be considered in isolation because each can be more or less critical in the context of a given discontinuance study. As such each is weighed qualitatively to arrive at an assessment that a potential discontinuance study should or should not continue. If a local official decides that the discontinuance is not warranted, then the study does not proceed. Only if a sequence of postal officials conclude that a discontinuance should go forward does the Vice-President, Delivery and Post Office Operations, get the opportunity to make a final decision.

Congressional district information is collected for the purpose of facilitating communication or notice of the initiation of a study, community meeting or public comment opportunity, or final decision. It also is used by USPS personnel to determine which congressional staff should be consulted in the event of a Congressional inquiry. It plays no role in determining whether to close respective facilities.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 3**

6. Please provide a scalable map plotting the location of facilities under consideration in the RAOI.

RESPONSE:

The Postal Service has not created a map plotting the locations of the RAO candidate facilities. However, a map that appears to be responsive to this request was created and updated in the Washington Post on August 12, 2011.

It is accessible at the following link:

<http://www.washingtonpost.com/wp-srv/special/nation/post-office-closures/>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

1. Please provide, by finance number, for each of the 3,652 facilities selected for discontinuance review, a spreadsheet that includes:
 - a. The current operating hours for each day of the week;
 - b. The date of any change in the operating hours that has occurred in the past 3 years; and
 - c. The operating hours for each day of the week prior to any change in the past 3 years.

RESPONSE:

- a. This information is included in USPS Library Reference N2011-1/NP6.
- b-c. This information is not retained. As with many postal data sources, information that is collected is also retained when a business purpose is identified that justifies retention. Hours of operation are needed prospectively, but not retrospectively.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

2. Please provide, for each Cost Ascertainment Group of Postal Service-operated retail facilities:
- a. Average annual revenue per facility for Fiscal Years 2008, 2009, and 2010;
 - b. The percentage of offices whose operating hours have been increased in the last 3 years; and
 - c. The percentage of offices whose operating hours have been reduced in the last 3 years.

RESPONSE:

- a. [Response forthcoming.]
- b-c. This information is not retained. As with many postal data sources, information that is collected is also retained when a business purpose is identified that justifies retention. Hours of operation are needed prospectively, but not retrospectively

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

RESPONSE to Question 3 (continued):

points at which input is gathered (questionnaire, meeting, correspondence, comments on proposal). Its weight, however, would depend upon the particular circumstances presented in the discontinuance study. Quantitative weights are not assigned to respective facts, opinions, or other input.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

4. Please provide a brief explanation of each type of recording technology used in Postal Service-operated retail facilities (POS, CARS, eMoves, and IRT), including a list of the data fields each technology captures and reports. Please provide a brief explanation of each field that is not clearly named.

RESPONSE:

POS (Point of Service) -- For the largest approximately 15,500 offices, stations and branches, this system records transactions, revenue, customer visits and quantities by product from the bar code scan on each product. It also records services and the transactions and revenue associated with those services. In addition, POS records non-revenue transactions.

IRT (Integrated Retail Terminal) -- This system is not nearly as sophisticated as POS and it does not record transactions or customer visits. At approximately 4500 locations, it records revenue by general ledger account number (GLA). The IRT is used in most of CPUs. The IRT is currently being phased out and replaced by eMOVES

eMOVES - This is the least sophisticated system. At about 2500 locations, it records revenue by general ledger account number (GLA). It does not record transactions or customer visits.

CARS is used in Contract Postal Units, but not in postal operated retail facilities.

A list of data fields captured and reported for the technologies used in postal operated retail facilities is being prepared for filing in a Library Reference.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO PRESIDING OFFICER'S INFORMATION REQUEST NO. 4**

5. Please confirm that over the next 5 years the Postal Service intends to apply the review process established in the RAOI to significant numbers of Postal Service retail facilities not already identified in the current proposal.

RESPONSE:

Senior postal management has envisioned the discontinuance review process embodied in the *USPS Handbook PO-101* being applied to more retail facilities in subsequent, yet undefined, broad network review initiatives, each of which may require approval of the Governors and fulfillment of a section 3661 obligation. Future plans will be developed after the Postal Service has absorbed lessons derived from the RAOI, including operational and financial ones from the Initiative itself, but also including the Commission's advisory opinion. Those plans may or may not resemble candidate facility selection criteria similar to those in the RAO Initiative.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGATORY**

VP/USPS-1.

Section II-D of USPS-T-1 states that the retail network scope should be viewed in context. Please refer to USPS-T-1, p. 10, Table 4, which begins with the year 1900. These questions relate to the U.S. Post Office Department ("POD"), the predecessor of the Postal Service, and its operation of retail facilities ("POD-operated retail facilities").

- a. What was the peak number of POD-operated retail facilities operated at any one time, and in what year was that peak number reached?
- b. What was the number of POD-operated retail facilities on July 1, 1971 when the Postal Reorganization Act became effective?
- c. Between the year when the peak number of POD-operated retail facilities (reported in response to VP/USPS-1a) was reached and Postal Reorganization effective July 1, 1971:
 - i. What is the number of POD-operated retail facilities that were closed in total, and, if available, the minimum and maximum number closed in any single year?
 - ii. Under what circumstances did the POD close POD-operated retail facilities on its own initiative (*i.e.*, without Congressional approval), and what circumstances required authorization by Congress before a POD-operated retail facility could be closed?
- d. Since Postal Reorganization on July 1, 1971, what was the maximum number of Postal Service retail facilities closed in any single year?

RESPONSE:

(a-b) Detail sufficient for purposes of this proceeding is reflected in Table 4.

42,287 such facilities (Post Offices, stations and branches) were in operation at the end of June 1971.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGATORY**

RESPONSE to VP/USPS-1 (continued):

- (d) Post Office closure data through 2006 are reflected in *Information on Post Office Closures, Appeals, and Affected Communities*, Government Accountability Office Briefing Report to the Chairman Subcommittee on the Postal Service Committee on Government Reform and Oversight, House of Representatives. (B-275119, March 1997). It is available at the following link <http://www.gao.gov/archive/1997/gg97038b.pdf>
- For fiscal years 2007 through 2010, the total number of retail facilities (Post Offices, stations and branches) closed each year was 72, 61, 80, and 144, respectively.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGATORY**

VP/USPS-2.

- a. In what year did the POD begin Rural Free Delivery ("RFD")?
- b. Prior to RFD, when the number of post offices and retail facilities was expanding, were any of the following criteria used to determine establishment (or closure) of a post office?
 - i. Was a post office expected to serve some minimum number of residents?
 - ii. Was there some maximum time or distance for rural residents to travel to the post office in order to pick up their mail?
 - iii. Did the social needs of the community or non-postal considerations motivate post office openings and closings?
 - iv. Were other criteria used?

RESPONSE:

- (a) 1897.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGATORY**

VP/USPS-3.

- a. How many Contract Postal Units ("CPUs") does the Postal Service currently have?
- b. What percentage of existing CPUs have annual costs that exceed annual revenues?
- c. What percentage of existing CPUs have annual costs that are
 - (i) between 75 percent and 100 percent of annual revenues, and
 - (ii) between 50 percent and 75 percent of annual revenues?
- d. For all CPUs, what percentage of annual revenues are annual costs?

RESPONSE:

- a. 3,584
- b. 12.5 percent.
- c.
 - i. 3.6 percent.
 - ii. 4.1 percent.
- d. 13 percent.

**RESPONSE OF UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGATORY**

VP/USPS-4.

Canada Post and a number of European postal administrations are known (i) to have closed a far higher percentage of their brick-and-mortar retail facilities than the Postal Service is proposing with its RAO initiative, and (ii) to have relied extensively on various forms of alternative access in lieu of the brick-and-mortar retail facilities that formerly were operated by each respective postal administration before closure.

- a. To the extent that the Postal Service is aware, please indicate which postal administrations are thought to have closed the highest percentage of their pre-existing brick-and-mortar facilities?
- b. For those postal administrations identified in response to preceding part a, and to the extent that the Postal Service is aware, please discuss problems that any of those postal administrations have encountered as a result of closing a large percentage of their brick and- mortar facilities and instead relying on alternate access for retail transactions.
- c. To the extent that the Postal Service is aware, please state whether any of those postal administrations that have closed a high percentage of their brick-and-mortar facilities are known to have reversed course and begun either replacing or supplementing alternative access with additional newly-opened postal administration operated facilities.

RESPONSE:

- a-c. For information on foreign postal administration retail changes, please review *Foreign Posts' Strategies Could Inform U.S. Postal Service's Efforts to Modernize*, Government Accountability Office Report to the Ranking Member, Subcommittee on Federal Workforce, U.S. Postal Service and Labor Policy, Committee on Oversight and Government Reform, House of Representatives (GAO-11-282: February 2011). It is available at the following link -- <http://www.gao.gov/new.items/d11282.pdf>

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGAORY REDIRECTED FROM WITNES BOLDT**

VP/USPS-T1-1.

Please refer to USPS-T-1, p. 10, which mentions "transportation accessibility" at line 13. These questions address the existence of intra-city public transportation such as local busses. (Please disregard any inter-city public transportation, such as Greyhound busses.)

- a. Of the 2,800 facilities discussed in USPS-T-1, p. 15, II. 1-4, does the Postal Service know how many are in communities served by some form of intra-community public transportation such as a bus line, and, for such communities, whether a bus stop generally is located at or within a short walk from the post office?
- b. In those communities with no public transportation, or no public transportation terminating close to the local post office, is it reasonable to assume that most of those residents currently access the post office by some form of private motor vehicle transportation, either their own, or that of a relative or neighbor?

RESPONSE:

- a-b. The existence, or the lack thereof, of various possible forms of transportation options is a factor that is routinely examined in respective discontinuance studies. But on the whole, the only bus service that routinely comes up in discontinuance contexts outside of urban and suburban areas is school bus service, especially when a Post Office serves as a school bus stop. Otherwise, outside of urban and suburban areas, the only kind of bus service available is inter-city service.

In general terms, private bus service can only be found in areas where the demand for such service makes it economically viable or it is publicly subsidized. Such service is generally understood as facilitating access to jobs in larger urban areas for those who do not own or have access to motor vehicles (and those who choose not to use them) and reducing reliance on automobiles in traffic-congested areas.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGAORY REDIRECTED FROM WITNES BOLDT**

RESPONSE to VP/USPS-T1-1 (continued):

The vast majority of people who use some form of powered transportation use motor vehicles, of which automobiles are far and away the most numerous. This is true even in more rural locations. People who live 20 miles outside of the nearest town still need to obtain food and other provisions from retailers, as well as fuel for motor vehicles or for heating and cooking, access to medical care, and pursue socialization with others. While some people still manage to live off the grid; these needs, and access to postal services, are generally managed in rural locations through access to motor vehicles, whether owned, borrowed, or shared. Those who do not own vehicles nonetheless have friends or relatives who share transportation as they take care of their own needs. These United States definitely constitute a car driven society.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGAORY REDIRECTED FROM WITNES BOLDT**

VP/USPS-T1-2.

Is the population of the communities served by some of the 2,800 low workload post offices discussed in USPS-T-1, p. 15, II. 1-4 less than the population of other communities that currently do not have a USPS-operated retail facility?

RESPONSE:

The Postal Service has no reason to determine the relative size of populations in proximity to the 2800 Post Offices compared to some set of locations not occupied by one of the 2800, so no empirical response is available. But this question can nonetheless be addressed in a general way. The USPS domestic service area has many thousands of communities that do not have a Post Office, station or branch located within them. Those communities have a wide range of sizes; customers in those communities also have access to postal services. Exactly who uses what forms of access would take considerable resources to assess; but the bottom line is that all customers do have access and the Postal Service fully intends that access will be sustained and retained by all customers. Offices open only two hours per day can be in small or large communities, so one can safely presume that other communities that do not have a classified postal facility collocated within them are both smaller and larger than those amidst the 2800.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGAORY REDIRECTED FROM WITNES BOLDT**

VP/USPS-3.

39 U.S.C. section 403(a) requires that "[t]he Postal Service shall plan, develop, promote, and provide adequate and efficient postal services...." Additionally, section 403(b) states that "[i]t shall be the responsibility of the Postal Service ... (3) to establish and maintain postal facilities of such character and in such locations, that postal patrons throughout the Nation will, **consistent with reasonable economies of postal operations**, have ready access to essential postal services." (Emphasis added.) In view of this statutory requirement, please refer to USPS-T-1, p. 15, ll. 1-4, where you discuss 2,800 low workload offices.

- a. What percentage of those 2,800 offices had total annual operating costs that **exceeded** annual revenues in FY 2010?
- b. What percentage of those 2,800 post offices had annual costs that were (i) between 75 percent and 100 percent of annual revenues in FY 2010, and (ii) between 50 percent and 75 percent of annual revenues in FY 2010?
- c. For those offices whose annual costs **exceed** annual revenues, particularly by a significant amount, please explain whether the Postal Service considers those offices as providing **efficient** postal services, consistent with **reasonable economies** of postal operations. *[Emphases in original from Val Pak.]*

RESPONSE:

- a-c. This question cites to statutory language that reflects the Postal Service obligation to provide efficient service. Such language stands in contrast to the oft-quoted section 101(b) that precludes discontinuance of certain Post Offices solely for operating at a deficit while mandating a "maximum" degree of regular and effective postal service to those communities.
- Tension among competing statutory goals and objectives is hardly a new situation. The Postal Service accordingly takes such tensions into consideration when establishing policy and procedure. Handbook PO-101 itself is the product of considered application of all applicable sections of title 39, with input provided by management and counsel. Its underlying regulations, 39 C.F.R. Part 241.3 also went through *Federal Register* rulemaking proceedings, with both proposed and final rules published. By

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGAORY REDIRECTED FROM WITNES BOLDT**

RESPONSE to VP/USPS-T1-3 (continued):

that mechanism, the Postal Service facilitated input from all interested stakeholders to arrive at a reasonable balance of all statutory sections.

As discussed more thoroughly in other interrogatory responses, some of the 2800 offices do generate more revenue than their total operating cost, although that is not true of most. However, the Postal Service does not understand the metric of operations costs versus annual revenue to be an especially useful measure of how efficiently service is provided.

Efficiency is perhaps better measured on a national scale. Many postal facilities cost more to operate than the revenue they generate. But in a network industry responsible for nationwide service and a universal service obligation, with mail flow demonstrating asymmetric passage through the system, many nodes can be expected to operate at a deficit even under the most efficient possible service.

But as reflected in the Request, widespread stakeholders share recognition that the postal retail network has more classified nodes than are truly necessary; such thinking supports a conclusion that diminution in the number and density of classified retail units could improve system efficiency.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGAORY REDIRECTED FROM WITNES BOLDT**

VP/USPS-T1-7.

Please refer to NAPUS-T1-40 and your response thereto as regards the Postal Service's evaluation of various "non-business" or "non-economic" considerations concerning the importance or value of a post office to the local community.

- a. Has the Postal Service given consideration to requesting a Public Service appropriation from Congress to support those "non-business" or "non-economic" considerations for offices which cannot be justified on the basis of economic considerations, such as the offices' costs and revenues? If your answer is negative, and in light of the fact that mail volume and revenue are no longer capable of providing financial support for such offices, please explain why not.
- b. As a hypothetical, assume that the Internet, the rate cap, and alternative retail access now mean that mailers no longer can be forced to subsidize uneconomic post offices. Also assume that Congress refuses to provide any subsidy for uneconomic post offices, and the Postal Service's debt limit is reached. Please explain and discuss the means or source of funds from which the Postal Service foresees continued subsidization of uneconomic post offices.

RESPONSE:

- a. The concept is not unfamiliar to the Postal Service. No determination has been made to define, calculate the magnitude of or pursue an appropriation resembling that described in this question, though it is assumed that the dollars involved would pale in comparison to the multi-billion dollar figures associated with eliminating Saturday street delivery, and resolving the pending retiree pension and health benefit funding issues.
- b. Irrespective of what is meant by an "uneconomic" post office, the Postal Service would, in the hypothetical, fund retail operations from the same sources that it funds mail processing, transportation, delivery and administrative operations.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO VALPAK INTERROGAORY REDIRECTED FROM WITNES BOLDT**

VP/USPS-T1-9.

- a. Please refer to Docket No. N2009-1, Valpak Initial Brief, p. 21, and references cited there. Please update and provide data for the average cost per dollar of revenue generated from sale of stamps via different channels, as shown there, with the current or most recently available data.
- b. Please refer to the Postal Service's April 2002 *Transformation Plan*, p. 15 and App. K, p. K-2, which shows the average cost of selling each dollar's worth of postage stamps at a retail counter as \$0.24. Please update that datum with the current or most recently available data.
- c. For the 2,800 low-volume retail facilities discussed in your testimony at p. 15, does the Postal Service have a separate estimate for the average cost per dollar of revenue generated from sale of stamps? If so, please provide and explain the source.
- d. For any of the remaining 850 retail facilities discussed in your testimony, does the Postal Service have a separate estimate for the average cost per dollar of revenue generated from sale of stamps? If so, please provide and explain the source.

RESPONSE:

- a-b. The Postal Service responds in terms of postage, rather than stamps alone. The most recent values available are from FY2009, except for the retail counter, which is FY2009. As the question notes, the *Transformation Plan* reported that an estimated cost per dollar for postage sales at retail counters was then \$0.24. Today that cost is estimated to be \$0.23. The much lower value supplied in the course of PRC Docket No. N2009-1 cannot also have been correct. For Stamps by Mail, the best available current cost estimate is \$0.08, while for consignment it is \$0.02. As shown in recent RPW quarterly reports, the Postal Service no longer utilizes a vending channel. Cost per dollar of revenue for PC Postage is \$0.04; Click-N-Ship costs \$0.07, CPUs cost \$0.13, Approved Shippers cost \$0.07, and Stamps by Mail cost \$0.08.
- c-d. Such data are not available.

**RESPONSE OF THE UNITED STATES POSTAL SERVICE
TO INTERROGATORY OF VALPAK REDIRECTED FROM WITNESS BOLDT**

VP/USPS-T1-10.

Please refer to Docket No. N2009-1, Postal Service Response to VP/USPS-T1-9(a), Tr. 2/289-290. According to that response, the Postal Service then had approximately (i) 61,321 full-time equivalent retail associates and (ii) 13,751 working postmasters at approximately 32,000 locations.

- a. Please update and provide the above figures with the current or most recently available data.
- b. At the time those data were supplied, what percentage of the total work force did the 61,321 full-time equivalent retail associates and approximately 13,751 working postmasters represent?
- c. In a recent White Paper, the Postal Service projects a need in FY 2015 for only 425,000 employees. If the total workforce is reduced to 425,000 employees in FY 2015, under current plans, would not (i) full-time equivalent retail associates and (ii) working postmasters represent a higher percentage of total employees in FY 2015 than reported in Docket No. N2009-1?

RESPONSE

- (a) As of September 12, 2011: Total USPS Employee Count

645,982 (Career & Non-Career)

Retail Associates	63,310
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Postmaster Occupations	19,649
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Relief/Replacement (OIC)	(1,961)
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Adjusted Postmaster Count	17,688
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- (b) The total postal workforce at the end of FY 2009 was 712,082 (Career & Non-Career).
- (c) Plans for achieving targets through 2015 will have to be developed and implemented before it can be projected how ratios of different types of employees between 2009 and 2015 might compare. However, such information does not appear to have any bearing on the issue of whether the nature of the service changes expected to result from the RAO Initiative comports with the policies of Title 39.

**RESPONSE OF WITNESS GRANHOLM TO QUESTION
POSED DURING CROSS-EXAMINATION**

Tr. Vol. 1, Page 613, Line 21:

CHAIRMAN GOLDWAY: Could you send us the list then of the offices that you have identified as the archaic, the ones that you have already gone through the process, and the ones that you intend to, so that we have that record for our books?

THE WITNESS: Yes. I think we can to give you an update on suspended offices. We did include, I believe, 19 suspended offices into this process that were recently suspended, as well as the 101 process now has set criteria for an immediate review of suspended offices. So we don't have the situation that we have had in the past, with suspended offices staying on a suspension list for years.

RESPONSE

See the attached spreadsheet which contains the "archaic" suspension list.

On that spreadsheet:

Proposal Date = Date of posting of discontinuance notice

Final Date = Date of posting of final decision

Postal Bulletin Date = Date of closure published in *Postal Bulletin*.

**RESPONSE OF WITNESS GRANHOLM TO QUESTION
POSED DURING CROSS-EXAMINATION**

Tr. Vol. 1, Page 608, Line 6:

VICE CHAIRMAN ACTON: In our Docket No. N2009-1 advisory opinion, we recommended that the financial analysis should be improved.

THE WITNESS: The financial analysis was greatly improved through the 101 process, and as part of the top down process that we are talking about today. We went through an extensive review, a . . . [Lean Six Sigma] approach, to look at our financial analysis, and worked very closely with headquarters finance to develop a set of criteria that is now reviewed in every case under the new realm of how that financial data will be developed. It is not an easy generation of financial data, but we feel that it is appropriate.

CHAIRMAN GOLDWAY: And can you share that with us?

THE WITNESS: Absolutely.

CHAIRMAN GOLDWAY: And we could see what the analysis is?

THE WITNESS: Yes.

RESPONSE

The new Post Office Discontinuance cost analysis model attached to the response to POIR 1 Question 3 looks at seven categories of cost/savings versus the two categories in the old model. The new model imposes a standardized approach to obtaining the facility-specific data used in each discontinuance analysis. We tested the new model by sending it out to Districts that had recently completed Post Office discontinuance activity. The selected facilities were a mix of Post Office, Stations, and Branches. The sites were asked to complete the model using the instructions provided for the selected offices, and to note any difficulties in obtaining data and the amount of time to complete.

**RESPONSE OF WITNESS GRANHOLM TO QUESTION
POSED DURING CROSS-EXAMINATION**

RESPONSE to Hearing Room Question at page 608 (continued)

Overall findings:

- the financial data returned were determined to provide a better assessment of the costs/savings than the previous model;
- based on the comments, there were no issues obtaining the required data sets;
- based on the comments, the time to complete the work was about the same as the previous calculation.

Attached is a summary of the cost savings estimates supporting those earlier discontinuance studies (PROPOSAL) compared to results using the new method (POD FINANCIAL SUMMARY).

New River Plaza, NC (Station) – Mid-Carolina District

PROPOSAL

	<u>Annual</u>
Clerk Salary	15,200
Fringe Benefits	5,092
Annual Lease Costs	7,800
Cost of Replacement Service	0
	\$28,092

POD FINANCIAL SUMMARY

	<u>1st Full Year</u>	<u>10 Year NPV</u>
Construction/Renovation	0	0
Building Maintenance	0	0
Utilities	2,105	21,790
Transportation	539	5,822
EAS & Craft Labor	27,046	292,113
Contracts (Cleaning)	2,944	31,797
Rent	7,800	86,589
	\$40,434	\$329,599

Tateville, KY (Post Office) – Kentuckiana District

PROPOSAL

	<u>Annual</u>
Postmaster Salary	32,438
Fringe Benefits	10,867
Annual Lease Costs	4,500
Cost of Replacement Service	1,521
	\$46,284

POD FINANCIAL SUMMARY

	<u>1st Full Year</u>	<u>10 Year NPV</u>
Building Maintenance	0	0
Utilities	2,444	0
Transportation	0	0
EAS & Craft Labor	79,720	861,034
Contracts	0	0
Rent	4,500	0
	\$86,664	\$648,201

Webster, IA (Post Office) – Hawkeye District

PROPOSAL

	<u>Annual</u>
Postmaster Salary	14,689
Fringe Benefits	4,921
Annual Lease Costs	2,400
Cost of Replacement Service	3,843
	\$18,166

POD FINANCIAL SUMMARY

	<u>1st Full Year</u>	<u>10 Year NPV</u>
Building Maintenance	0	0
Utilities	0	0
Transportation	0	0
EAS & Craft Labor	20,899	225,722
Contracts	0	0
Rent	2,400	26,643
	\$23,299	\$189,934

Loogootee, IL (Post Office) – Gateway District

PROPOSAL

	<u>Annual</u>
Postmaster Salary	10,981
Fringe Benefits	3,679
Annual Lease Costs	4,800
Cost of Replacement Service	335
	\$19,795

POD FINANCIAL SUMMARY

	<u>1st Full Year</u>	<u>10 Year NPV</u>
Building Maintenance	0	0
Utilities	1,158	11,985
Transportation	0	0
EAS & Craft Labor	10,162	109,756
Contracts	0	0
Rent	5,400	59,946
	\$16,720	\$136,634